The City of Winnipeg

ANNUAL FINANCIAL REPORTS

1987

89-00121/

Cover Photo © Henry Kalen Ltd.
Downtown Winnipeg as viewed from the south across the Red River.

THE CITY OF WINNIPEG

MANITOBA, CANADA

Annual Financial Reports 1987

- **City Treasurer**
- **Sinking Fund Trustees**

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City Council—1987

Mayor
His Worship William Norrie, Q.C.

Deputy Mayor
Eric Stefanson

COUNCILLORS
(Listed by Community Committee)

ASSINIBOINE PARK—FORT GARRY
John Angus
Dave Brown
Bill Clement
Larry Fleisher
Bill Neville

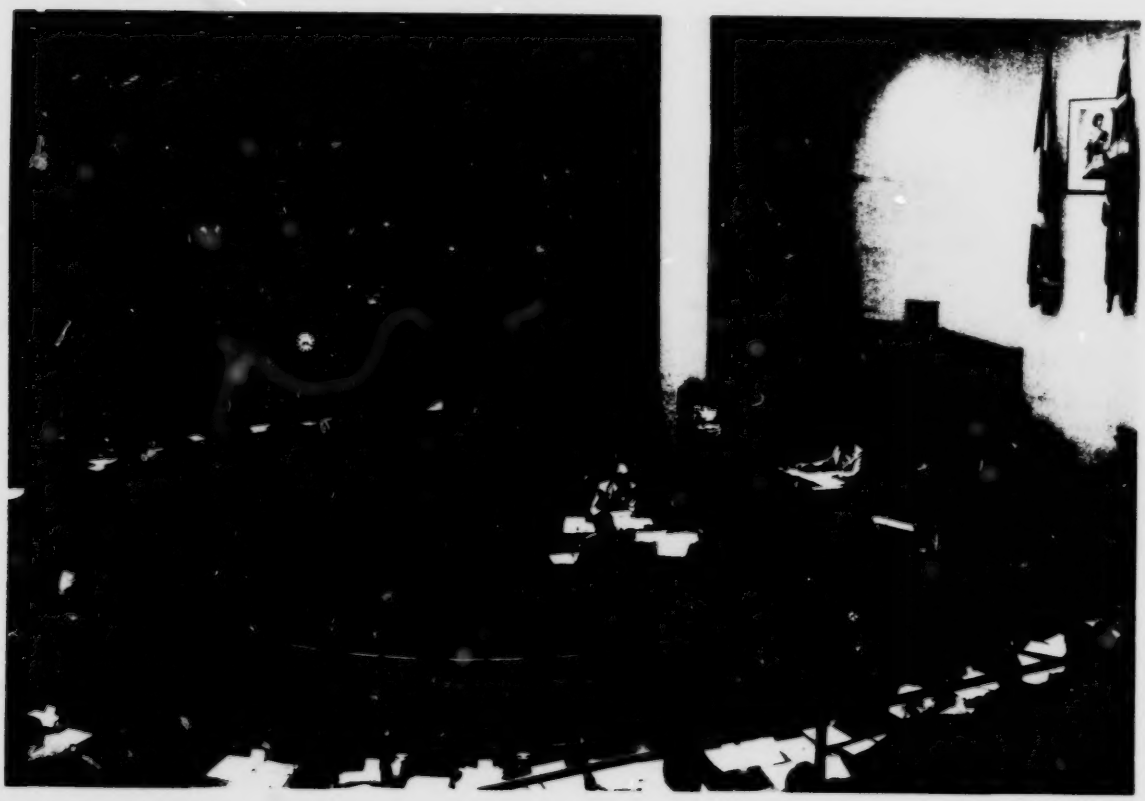
CITY CENTRE—FORT ROUGE
Magnus Eliason
Donald I. Gerrie
Ernie Gilroy
Harold Macdonald
Harold Taylor
Alan C. Wade

EAST KILDONAN—TRANSCONA
Anne Jorowski
George Marshall
Don Mitchelson
Alfred J. Skowron
Shirley Timm-Rudolph

LORD SELKIRK—WEST KILDONAN
Harry Lazarenko
Chris Lorenc
Mike O'Shaughnessy
Helen Promislow
Terry Wachniak

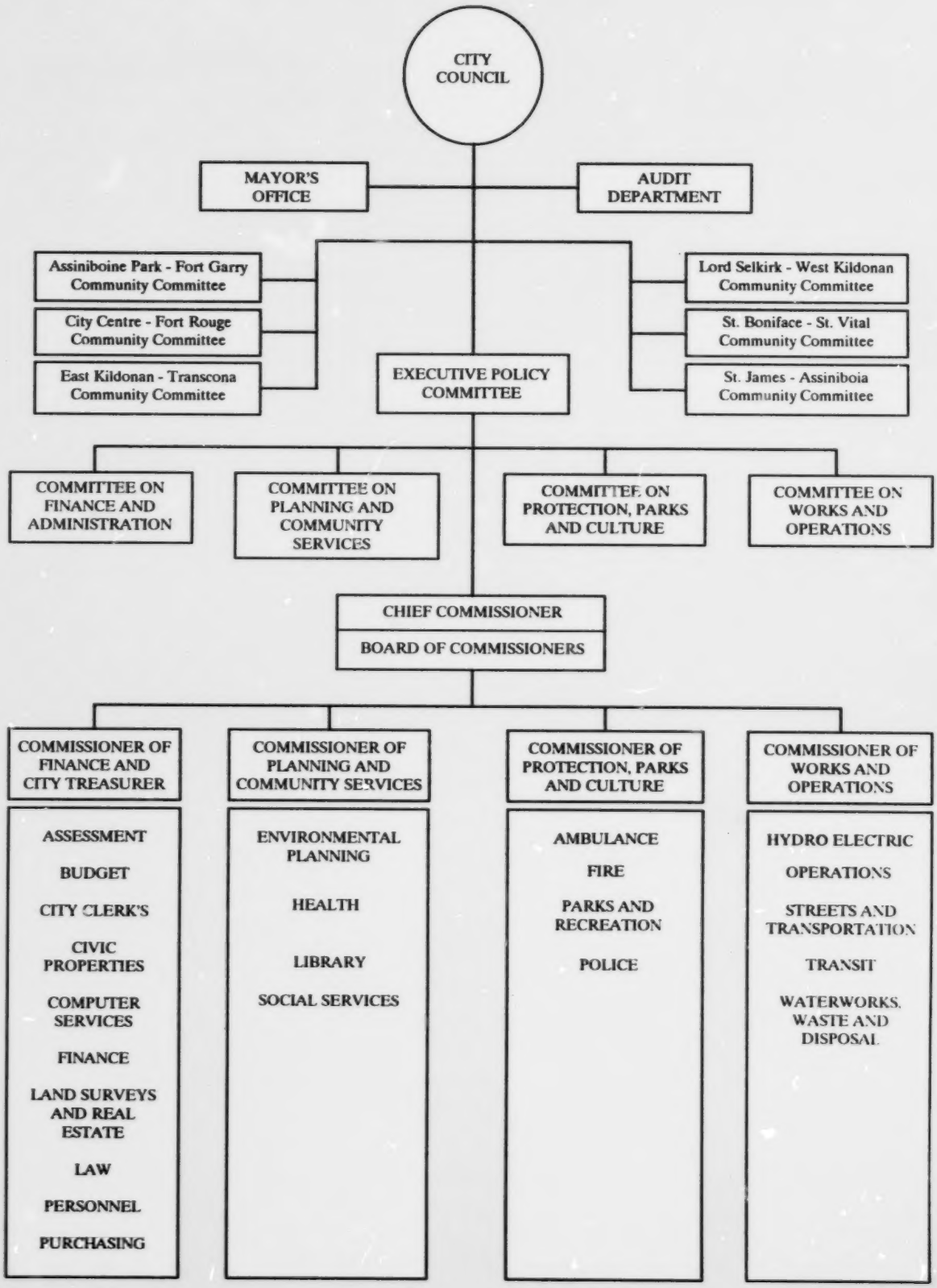
ST. BONIFACE—ST. VITAL
Louise Dacquay
Doreen Demare
Bob Rose
Guy M. Savoie

ST. JAMES—ASSINIBOIA
Bob Douglas
Jae Eadie
John Steel
Eric Stefanson



City Council in Session

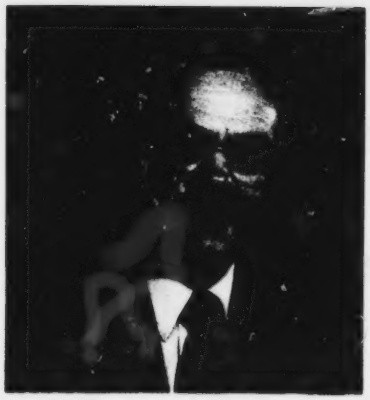
The City of Winnipeg



The Board of Commissioners

His Worship
Mayor William Norrie

G.M. Savoie
Chairman of Executive
Policy Committee



N. W. Diakiw
Chief Commissioner

L. Hutcheon
Commissioner of
Finance and City Treasurer

D. G. Henderson
Commissioner of
Planning and Community
Services

R.F. Lunney
Commissioner of
Protection, Parks
and Culture

R.J. McRae
Commissioner of
Works and Operations

Officials of Finance Department

Mr. M. Bilow
Deputy City Treasurer

Mr. E. E. Skehar
Manager of Financial Services

Mr. R.K. Dowdall
Manager of Branch Operations

Annual Report of the City Treasurer 1987

Treasurer's Report

His Worship the Mayor
and Members of the Council
of The City of Winnipeg.

Ladies and Gentlemen:

I am pleased to present herewith the Annual Financial Statements of The City of Winnipeg for the year 1987. Included are the Combined Balance Sheet and Statement of Revenue and Expenditure together with supporting statements of each of the separate accountable units of the City, namely General (Tax Supported); Reserve and Trust Funds; Equipment and Material Services Fund; the Utilities (Hydro Electric, Steam Heating, Transit, Water Works and Sewage Disposal Systems); the Winnipeg Ambulance Service, the Municipal Hospital Commission, and Pension Funds, all of which have been duly audited.

This report includes statements which provide additional information on matters such as tax levies and rates, assessment, debenture debt analyses and floating debt.

The year 1987 was a general reassessment year, the first since 1965. All assessments were updated from 1950 to 1975 levels of value. This significantly increased the assessment base (page 147) and the estimated market value of taxable assessment (page 148).

The City of Winnipeg realized an operating surplus of $4,129,452 in 1987, compared to an operating deficit of $5,721,674 in 1986. This factor, coupled with increased tax collections (page 147), a 32% reduction in foreign denominated debt and favourable debt service ratios (page 148) demonstrates the continuing stability of the City's financial position.

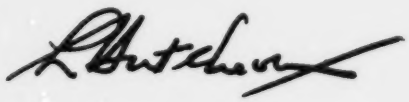
The last major component of the Financial Reporting System, was installed in 1987. This now provides the City of Winnipeg with a totally integrated financial reporting system comprised of the General Ledger, Budgetary Control, Accounts Payable and Purchasing.

This publication also includes the Annual Report of the Sinking Fund Trustees and as well the Annual Financial Statements of The Convention Centre Corporation and Winnipeg Enterprises Corporation.

I take pleasure in acknowledging the co-operation and assistance received from the members of The Board of Commissioners, Department Heads and other officials of the City's various departments, and extend thanks to them and the staff of the Finance Department for their support.

The co-operation and assistance rendered by officials of other levels of government is also gratefully acknowledged.

Respectfully submitted,



L. Hutcheon,
Commissioner of Finance and City Treasurer.

Auditor's Report

To The Mayor and Members
of City Council,
The City of Winnipeg.

In accordance with the requirements of The City of Winnipeg Act, I have examined the combined balance sheet, the balance sheets of The City of Winnipeg General Capital Fund, General Revenue Fund, Hydro Electric System, Steam Heating System, Water Works System, Sewage Disposal System, Transit System, Equipment & Material Services Fund, Ambulance Service, General Reserve Fund, Equipment Replacement Reserve Fund, Recreation Programming Reserve Fund, Future Tax Levies Reserve Fund, Severance Sick Leave Reserve Fund, Land Operating Reserve Fund, Watermain Renewal Reserve Fund, Trust Fund, Zoo Animals Reserve Fund, Zoo Purposes Reserve Fund and Contributions in Lieu of Land Dedication Reserve Fund as at December 31, 1987 and the related statements of revenue and expenditure, retained earnings, reserve accounts, trust fund account, statement of source and application of captial funds and statements of changes in financial position, for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required. I report separately on the various boards, commissions and pension funds.

In my opinion, the aforementioned financial statements present fairly the financial position of The City of Winnipeg as at December 31, 1987 and the results of its operations for the year then ended in accordance with accounting principles described in the notes to the financial statements applied on a basis consistent with that of the preceding year.

L E Marks

Winnipeg, Manitoba
June 10, 1988

CHARTERED ACCOUNTANT
AND CITY AUDITOR

COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION

I have reported to the Mayor and Members of Council on my examination for the purpose of expressing an opinion on the financial statements of The City of Winnipeg for the year ended December 31, 1987.

I do not express an opinion on the statistical schedules since my examination did not extend to the detailed information therein.

L E Marks

CHARTERED ACCOUNTANT
AND CITY AUDITOR

Winnipeg, Manitoba
June 10, 1988

This aerial view is taken looking north along Main Street focusing on the commercial buildings located at 'Portage & Main'. (© Henry Kalen Ltd.)

Combined Financial Statements and General Funds

The City of Winnipeg
Combined Balance Sheet

As at December 31, 1987

	General Capital & Revenue Funds	Reserve and Trust Funds	Equipment & Material Services Fund	Ambulance Service	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	TOTAL
ASSETS										
Cash	$ 3,247,106	$ 6,977	$ 250	$ 200	$ 85,378	$ 100	$ 166,461	$ 196,470	$ 150	$ 3,703,092
Short Term Investments	122,067,004	740,900	—	—	—	—	—	—	—	122,807,904
Long Term Investments	202,920	9,595,256	—	—	—	—	—	—	—	9,798,176
Accrued Interest Receivable	1,125,521	155,555	—	—	—	—	—	—	—	1,281,076
Accounts Receivable, Net	53,182,796	2,724,905	47,531	436,077	9,600,400	672,229	924,439	4,243,390	915,599	72,747,366
Due from Other Funds	15,394,096	99,439,740	5,218,463	—	—	—	—	12,505,082	7,161,799	139,719,180
Material and Supplies	2,406,117	—	4,735,367	—	3,564,850	251,778	1,951,190	271,073	—	13,180,375
Deferred Charges	14,796,242	2,023	—	—	1,559,965	73	130,152	1,595,828	688,210	18,772,493
Wpg. S.D. #1 Debentures	238,000	—	—	—	—	—	—	—	—	238,000
Sinking Funds Held For Retirement of Debt	102,803,412	—	—	—	30,873,108	—	9,597,715	21,036,093	11,997,708	176,308,036
Property Plant & Equipment	531,602,667	10,554,980	33,079,085	—	76,889,748	252,630	17,980,204	32,425,938	88,866,235	791,651,487
Capital Grants	6,049,222	—	—	—	—	—	—	—	—	6,049,222
	$853,115,103	$123,220,336	$43,080,696	$ 436,277	$122,573,449	$ 1,176,810	$30,750,161	$72,273,874	$109,629,701	$1,356,256,407
LIABILITIES										
Bank Overdraft	$ 8,642,623	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 8,642,623
Call Loans	53,759,400	—	—	—	—	—	—	—	—	53,759,400
Accounts Payable	130,178,690	1,057,106	1,684,548	243,877	7,116,145	668,206	1,555,503	900,883	3,739,529	147,144,487
Accrued Debenture Interest	13,304,129	—	—	—	2,184,027	273	616,727	1,282,728	3,297,181	20,685,065
Due to Other Funds	120,576,221	557,945	3,400,886	192,400	6,248,985	420,010	4,573,870	2,372,707	1,376,156	139,719,180
Deferred Liabilities	5,029,691	323,932	362,503	—	—	—	—	—	—	5,716,126
Deferred Revenue	11,281,996	2,290,122	—	—	—	—	27,765	—	—	13,599,883
Customers Deposits	10,735,691	23,720	—	—	1,023,901	27,525	—	4,423	79,000	11,894,260
Debenture Debt	382,014,672	—	—	—	67,964,325	19,000	22,228,462	48,923,996	84,948,117	606,098,572
Provision for Foreign Exchange	17,840,745	—	—	—	4,121,194	—	1,747,834	2,217,197	1,077,678	27,004,648
Sinking Fund Reserves	95,621,793	—	—	—	—	—	—	—	—	95,621,793
Current Revenue Surplus	4,129,452	—	—	—	—	—	—	—	—	4,129,452
	$853,115,103	$ 4,252,825	$ 5,447,937	$ 436,277	$ 88,658,577	$ 1,135,014	$30,750,161	$55,701,934	$94,517,661	$1,134,015,489
EQUITY										
Capital Invested in Plant	$ —	$ —	$33,001,899	$ —	$ 3,238,439	$ —	$ —	$ —	$ —	$ 36,240,338
Reserves	—	118,967,511	4,630,860	—	—	—	—	—	—	123,598,371
Retained Earnings	—	—	—	—	30,676,433	41,796	—	16,571,940	15,112,040	62,402,209
	$ —	$118,967,511	$37,632,759	$ —	$ 33,914,872	$ 41,796	$ —	$16,571,940	$ 15,112,040	$ 222,240,918
	$853,115,103	$123,220,336	$43,080,696	$ 436,277	$122,573,449	$1,176,810	$30,750,161	$72,273,874	$109,629,701	$1,356,256,407

The City of Winnipeg
Combined Statement of Revenue and Expenditure

For the Year Ended December 31, 1987

	General Capital & Revenue Funds	Reserve and Trust Funds	Equipment & Material Services Fund	Ambulance Service	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	TOTAL
REVENUE										
Taxation										
Municipal	$335.796.844	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 335.796.844
Education	241.007.472	—	—	—	—	—	—	—	—	241.007.472
	576.804.316	—	—	—	—	—	—	—	—	576.804.316
Operating Revenue	36.256.252	15.526.968	34.899.720	3.642.193	90.010.614	3.182.167	33.193.444	37.149.219	31.830.465	285.691.042
Provincial and Federal Grants	84.838.460	—	—	1.262.113	—	32.574	16.855.709	279.935	93.531	103.362.322
Interest Earned	6.864.993	10.191.686	—	—	—	—	—	—	—	17.056.679
Debt Charges Recovered	28.520.791	343.604	—	—	1.880.383	—	585.871	1.616.718	1.578.185	34.525.552
Contributions from Other Funds	15.703.190	9.553.516	—	1.821.148	—	1.056.009	18.795.734	—	976.984	47.906.581
TOTAL REVENUE	$748.988.002	$35.615.774	$34.899.720	$6.725.454	$91.890.997	$4.270.750	$69.430.758	$39.045.872	$34.479.165	$1.065.346.492
EXPENDITURE										
Depreciation, Debt and Finance	$ 88.322.295	$ —	$ —	$ 389.734	$10.204.523	$ 72.188	$ 3.324.496	$ 9.717.143	$12.211.040	$124.241.419
Operating Expenses	369.112.328	20.103.287	34.993.355	6.335.720	66.110.447	4.198.562	66.106.262	24.927.046	17.402.114	609.289.121
Transfer Provincial Grants	15.656.600	—	—	—	—	—	—	—	—	15.656.600
Contributions to Other Funds	30.759.855	3.590.717	—	—	1.056.009	—	—	—	—	35.406.581
Education Payments	241.007.472	—	—	—	—	—	—	—	—	241.007.472
TOTAL EXPENDITURE	744.858.550	23.694.004	34.993.355	6.725.454	77.370.979	4.270.750	69.430.758	34.644.189	29.613.154	1.025.601.193
REVENUE OVER (UNDER) EXPENDITURE	4.129.452	11.921.770	(93.635)	—	14.520.018	—	—	4.401.683	4.866.011	39.745.299
	$748.988.002	$35.615.774	$34.899.720	$6.725.454	$91.890.997	$4.270.750	$69.430.758	$39.045.872	$34.479.165	$1.065.346.492

Notes To The Combined Financial Statements

December 31, 1987

1. **Basis of Combined Statements**

   These statements are a summary of the funds illustrated and reported on in detail in the ensuing pages. City-related corporations, Pension Funds and the Municipal Hospitals are excluded. The Sinking Fund for retirement of debt is included as it relates to the funds recording the debt.

2. The Hydro Electric System column on the Statement of Revenue and Expenditure does not include a contribution to the General Fund of $12,500,000 out of Retained Earnings.

The City of Winnipeg
General Capital Fund Balance Sheet
As at December 31, 1987

Assets

	1987	1986
ACCOUNTS RECEIVABLE, net		
Province of Manitoba	$ 3,222,150	$ 2,730,531
Government of Canada	301,119	274,019
Other	124,793	1,198,584
	3,648,062	4,203,134
DUE FROM WINNIPEG AMBULANCE SERVICE	—	4,610
DUE FROM MUNICIPAL HOSPITAL COMMISSION	49,919	70,519
DEFERRED CHARGES	1,014,682	351,045
FUNDS ON DEPOSIT with Sinking Fund Trustees of the City of Winnipeg (Note 4 & 6(a))	102,803,412	151,510,761
FIXED ASSETS at amount of existing liabilities (Note 1(E))	455,112,457	433,111,136
Financed from General Reserve Fund (Note 2(a))	64,942,198	57,076,039
Financed from Land Operating Reserve Fund (Note 2(b))	2,344,208	2,635,101
	522,398,863	492,822,276
CONVENTION CENTRE, at amount of existing liabilities	9,203,804	9,812,816
WINNIPEG SCHOOL DIVISION NO. 1, at amount of existing liabilities (Note 5(d))	238,000	462,000
CAPITAL GRANTS, at amount of existing liabilities		
Hospitals	2,161,853	2,161,853
Manitoba Centennial Corporation	900,000	1,800,000
Joint Use Facilities (Note 3)	2,987,369	3,323,137
	6,049,222	7,284,990
DEFERRED FOREIGN EXCHANGE	11,442,649	19,831,734
	$656,848,613	$686,353,885

Liabilities

SHORT-TERM		
Accounts Payable	$ 4,100,489	$ 3,836,759
Due to General Revenue Fund	74,305,171	36,214,256
	78,405,660	40,051,015
LONG-TERM		
Debenture Debt (Note 5)	382,014,672	407,897,015
Provision for Foreign Exchange at Maturity (Note 1(A) & 6(b))	10,659,126	15,251,126
Deposits with Sinking Fund for Foreign Exchange (Note 6(a))	7,181,619	20,042,035
Debt at December 31, Exchange Rates	399,855,417	443,190,176
Due to General Reserve Fund (Note 2(a))	64,942,198	57,076,039
Due to Land Operating Reserve Fund (Note 2(b))	2,344,208	2,635,101
Deferred Liabilities (Note 7)	5,029,691	4,480,338
	472,171,514	507,381,654
DEFERRED CREDITS		
Prepaid - Local Improvements	3,969,961	2,807,140
Development Agreements - Capacity Charges	2,336,159	970,058
Development Agreements - Pipeline East Area	623,430	686,346
Future Regional Roadways	2,914,999	2,339,631
Other	805,097	649,315
	10,649,646	7,452,490
RESERVES		
Sinking Fund Reserve (Note 8)		
Actuarial Requirements in Canadian Funds	82,014,547	114,028,053
Sinking Fund Surplus and Liabilities	13,607,246	17,440,673
	95,621,793	131,468,726
	$656,848,613	$686,353,885

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Revenue Fund Balance Sheet

As at December 31, 1987

Assets

	1987	1986
CASH	$ 3,247,106	$ 7,067,465
SHORT-TERM INVESTMENTS, at cost	121,161,452	112,453,528
ACCRUED INTEREST RECEIVABLE	1,125,521	917,666
LONG-TERM INVESTMENTS, at par	202,920	311,682
DEVELOPMENT DEPOSIT INVESTMENTS	905,552	458,281
TAX ARREARS (Note 1(B) & 9)	33,433,258	35,719,029
Less Allowance	33,433,258	35,719,029
	NIL	NIL
ACCOUNTS RECEIVABLE		
Province of Manitoba	21,146,201	14,263,729
Government of Canada	7,144,179	2,557,095
Sinking Fund Trustees	9,796,274	5,314,708
Other	3,577,099	3,828,841
	41,663,753	25,964,373
Less Allowance (Note 1(C))	2,493,789	1,479,592
	39,169,964	24,484,781
DUE FROM WORKERS COMPENSATION RESERVE FUND	34,444	1,157,981
DUE FROM INSURANCE RESERVE FUND	523,501	385,721
DUE FROM OTHER FUNDS	99,456,173	68,208,019
MATERIALS AND SUPPLIES, at cost (Note 1(F))	2,406,217	1,878,485
DEFERRED CHARGES	2,338,911	319,236
	$270,571,661	$217,642,845

Liabilities

BANK OVERDRAFT	$ 8,642,623	$ 6,083,366
CALL LOANS	53,759,400	22,701,900
BALANCE OF CURRENT TAX LEVIES PAYABLE TO		
Public Schools Finance Board	48,606,278	46,075,700
School Divisions	47,796,723	43,505,220
	96,403,001	89,580,920
ACCOUNTS PAYABLE AND OTHER LIABILITIES (Note 1(D) & 11)	29,675,200	41,125,242
ACCRUED DEBENTURE INTEREST	13,304,129	12,899,120
DUE TO OTHER FUNDS	53,289,815	39,388,663
SURPLUS ON SUNDRY OPERATIONS	632,350	733,437
LOCAL IMPROVEMENT TAXES COMMUTED	5,323,195	4,896,388
DEFERRED REVENUE	2,205,052	3,805,568
DEVELOPMENT AND OTHER DEPOSITS	3,207,444	2,149,915
	266,442,209	223,364,519
SURPLUS (DEFICIT) FOR THE YEAR	4,129,452	(5,721,674)
	$270,571,661	$217,642,845

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg - General Revenue Fund
Statement of Revenue and Expenditure
For the Year Ended December 31, 1987

REVENUE	Budget 1987	Actual 1987	Actual 1986
MUNICIPAL TAXATION			
Property Tax—General Municipal (Note 13)	$243,224,888	$243,224,888	$229,303,370
Transfer from Future Tax Levies Reserve Fund—Taxes Added (Note 14)	2,248,000	3,203,190	2,148,000
Local Improvement Taxes, etc.	17,349,000	16,397,324	17,265,853
Local Improvement Taxes Commuted	1,100,000	1,146,635	1,083,056
Licenses in Lieu of Realty Tax (Note 15(a))	353,000	357,649	340,011
Business Tax	31,000,000	30,816,938	28,859,199
Licenses in Lieu of Business Tax (Note 15(b))	1,450,000	1,789,316	2,115,251
Amusement Tax	1,600,000	1,908,606	1,598,705
Electricity and Gas Sales Tax	8,800,000	8,999,047	8,466,884
Special Utility Tax—City Steam Heating	104,800	93,158	97,683
	307,229,688	307,936,751	291,278,012
GRANTS IN LIEU OF TAXES—Property and Business	31,394,220	31,063,283	30,101,088
PROVINCIAL GOVERNMENT GRANTS			
Unconditional			
Current Programs	18,746,000	18,746,000	18,200,000
Municipal Tax Sharing	23,000,000	23,282,801	20,591,981
Transit Deficit (Note 19)	16,403,680	15,656,600	16,119,833
Social Assistance	18,729,514	20,437,862	18,011,645
Contributions to Hospital Debt Charges	205,511	205,511	205,511
Libraries	1,465,558	1,465,559	1,805,559
Police Alertmobile Grant	18,750	18,750	31,250
Provincial Support Grant	4,880,000	4,675,377	3,192,270
Dutch Elm Disease	350,000	350,000	350,000
	83,799,013	84,838,460	78,508,049
OTHER REVENUE			
Permits and Fees	4,807,295	5,273,984	5,115,505
Licenses	1,270,000	1,468,459	1,264,574
Court and Parking Fines	6,125,000	6,681,873	5,932,178
Enterprise Operations	2,025,949	2,197,147	1,920,014
Sales of Goods and Services (Note 20)	12,804,329	13,853,057	13,357,350
Interest Earnings	7,557,500	6,864,993	7,820,623
Interest Capitalized	2,500,000	4,123,415	2,907,990
Tax Penalties	6,000,000	5,624,279	5,492,412
Sundry	500,450	1,157,453	942,593
	43,590,523	47,244,660	44,753,239
CAPITAL FINANCING			
Contribution from Sinking Fund	18,500,000	18,500,860	14,738,137
Sinking Fund Earnings	—	4,982,265	6,274,590
Debt Charges Recovered	453,626	453,626	654,020
Financial Credits	412,500	460,625	—
	19,366,126	24,397,376	21,666,747
CONTRIBUTIONS AND TRANSFERS			
Contribution from Hydro Profit	12,500,000	12,500,000	13,900,000
Transfer from Land Operating Reserve Fund	2,800,000	—	2,000,000
	15,300,000	12,500,000	15,900,000
SURPLUS FROM PREVIOUS YEAR	—	—	549,928
TOTAL MUNICIPAL REVENUE	500,679,570	507,980,530	482,757,063
REVENUE COLLECTED ON BEHALF OF SCHOOL AUTHORITIES			
Property Tax	214,897,448	214,897,446	200,737,800
Grants in Lieu of Property Tax	26,110,026	26,110,026	23,214,493
	241,007,474	241,007,472	223,952,293
	$741,687,044	$748,988,002	$706,709,356

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

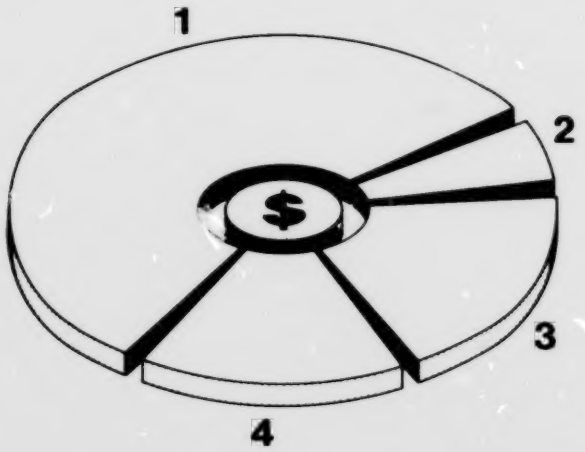
The City of Winnipeg
General Revenue Fund
Statement of Revenue and Expenditure

For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
EXPENDITURE			
MUNICIPAL			
General Government (Note 21(a))	$ 29,086,023	$ 28,114,194	$ 28,327,428
Assessment and Board of Revision	5,445,839	5,861,449	5,231,283
Environmental Planning	9,412,761	9,059,055	8,712,032
Public Works and Operations	80,096,542	77,855,398	79,342,952
Parks and Recreation	53,028,710	52,878,738	49,934,857
Transfer to Recreation Programming Reserve	—	59,591	72,114
Libraries and Museums	11,103,693	11,050,064	10,369,664
Protection	101,470,772	99,544,918	96,665,169
Health Services	4,945,810	4,941,578	4,587,139
Social Aid, Including Administration	27,715,941	29,933,943	26,829,659
Taxes on City Property	2,152,500	1,907,415	1,830,236
Special Grants	2,074,439	2,380,003	2,161,456
Insurance and Damage Claims	1,320,700	1,096,389	963,831
Winnipeg Ambulance Service	2,311,362	1,821,148	1,979,373
Convention Centre	906,472	906,472	1,041,231
Water Works and Sewage Disposal Frontage Levies	9,299,050	9,368,424	9,188,717
Appropriation to Transit System	34,566,638	34,452,334	32,926,356
Employee Benefits	26,162,000	26,562,872	24,496,910
Amortization of Pension Fund Deficits (Note 16)	3,129,777	4,877,777	4,251,077
Contribution to Severance Sick Leave Reserve Fund	300,000	655,553	—
Health and Education Tax	4,600,000	4,598,862	3,205,844
Prior Year's Deficit	5,433,000	5,721,674	—
Sundry	2,782,256	1,880,932	1,048,452
Capital Financing			
Debenture Debt Charges	60,184,730	59,495,686	61,304,656
Non-Debenture Funding	13,669,805	14,127,173	11,801,277
Financial Expense	2,733,750	2,413,526	3,178,694
Foreign Exchange	3,132,000	3,773,274	8,065,433
Amortization of Foreign Exchange	2,115,000	2,030,371	3,188,307
Contributions to Capital	1,500,000	1,500,000	1,500,000
Sinking Fund Earnings Applied to Debt Amortization	—	4,982,265	6,274,590
TOTAL MUNICIPAL EXPENDITURE	500,679,570	503,851,078	488,478,737
SURPLUS (DEFICIT) FOR THE YEAR	—	4,129,452	(5,721,674)
	500,679,570	507,980,530	482,757,063
PAYMENTS TO SCHOOL AUTHORITIES			
Provincial Education Support Program Levy	121,515,695	121,515,693	115,189,249
Special Levy—School Divisions	119,491,779	119,491,779	108,763,044
	241,007,474	241,007,472	223,952,293
	$741,687,044	$748,988,002	$706,709,356

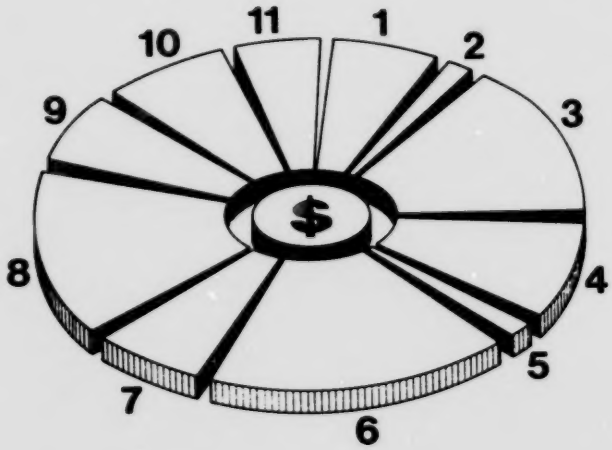
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

SOURCES OF THE CITY'S 1987 MUNICIPAL REVENUE



1. Taxation	$ .61
2. Grants In Lieu Of Taxes	.06
3. Provincial Government Grants	.17
4. Other (Permits, Licenses, Fines, Returns on Investments, etc.)	.16
	1.00

HOW IT WAS EXPENDED



1. General Government	$.07
2. Environmental Planning	.02
3. Public Works	.15
4. Parks and Recreation	.10
5. Libraries and Museums	.02
6. Protection	.20
7. Health and Social Services	.07
8. Debt and Finance Costs	.18
9. Employee Benefits	.05
10. Contributions to Operations and Reserves	.08
11. Other including Surplus	.06
	$1.00

The City of Winnipeg
Statement of Allowance for Tax Arrears

For the Year Ended December 31, 1987

		1987	1986
Opening Balance		$35.719.029	$36.574.546
DEDUCT	Taxes Written Off	1.105.413	624.731
	Transfer to Future Tax Levies Reserve Fund	1.180.358	230.786
		2.285.771	855.517
Closing Balance		$33.433.258	$35.719.029

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Capital Fund
Statement of Source and Application of Funds

For the Year Ended December 31, 1987

	1987	1986
FUNDS WERE DERIVED FROM		
Accounts Receivable, January 1	$ 4,278,263	$ 1,420,745
Temporary Loan from General Revenue Fund	74,305,171	36,214,256
Deferred Credits	3,197,156	2,418,817
Debenture Issues	30,000,000	52,135,280
Reserves	15,395,266	14,029,487
Amortization of Foreign Exchange	2,030,370	3,188,307
Payment from Sinking Fund Trustees of Foreign Exchange	11,801,656	3,726,139
Payment from Sinking Fund — Foreign Exchange on Securities Net	2,566,720	—
Contributions and Grants		
Government of Canada	1,244,327	2,022,017
Province of Manitoba	9,726,549	7,739,281
City	2,391,476	2,674,910
Other	1,324,924	1,809,002
Accounts Payable, December 31	4,100,489	3,836,759
	$162,362,367	$131,215,000
FUNDS WERE EXPENDED FOR		
Payment of Accounts Payable	$ 3,836,759	$ 2,611,363
Purchase of Capital Assets	98,352,957	62,934,718
Construction	7,658,753	7,146,960
Foreign Exchange on Maturities	12,601,661	28,020,160
Repayment of Temporary Loan to General Revenue Fund	36,214,256	25,807,995
Payment to Sinking Fund Trustees of Foreign Exchange	—	415,541
Accounts Receivable, December 31	3,697,981	4,278,263
	$162,362,367	$131,215,000

The City of Winnipeg
Capital Expenditures and Amounts Unfinanced

For the Year Ended December 31, 1987

	Capital Expenditures	Amount (Pre-Funded) Unfinanced December 31
General Municipal Purposes		
General Capital Fund		
Local Improvements	$ 4,838,593	$ 4,929,552
Street Improvements	42,609,713	19,408,461
Land Drainage	12,891,866	8,127,227
Disposal Grounds	2,140,809	1,233,291
Parks and Recreation	9,726,503	6,861,684
Protection	1,823,080	3,805,639
Health and Social Development	1,536,026	3,873,420
Civic Accommodations	2,072,671	2,842,360
Special Projects		
Core Area	5,789,650	6,114,933
Historic Winnipeg	268,462	318,948
Public Works Downtown Development	176,919	2,540,510
North Portage Development	17,140,000	17,000,104
North Ellice Development	—	602,234
Rainbow Stage	226,007	196,672
Other	4,771,411	6,718,768
	106,011,710	84,573,803
Equipment Replacement Reserve Fund	2,811,150	—
Equipment Material Services Fund	720,444	—
	109,543,304	84,573,803
Utility Purposes		
Hydro Electric System	11,271,826	12,489,082
Steam Heating System	42,431	233,630
Transit System	6,482,656	3,883,262
Water Works System	9,807,274	812,633
Sewage Disposal System	11,242,153	13,601,172
	38,846,340	31,022,779
	$148,389,644	$115,596,582

NOTE: Municipal Hospital Capital expenditures are excluded due to the March 31 year end.

Statement of Outstanding Capital Borrowing Authorizations

As at December 31, 1987

By-Law No.	M.B.O. No. or Date of Minister of Finance Approval	General Municipal Purposes			City Owned Utilities					
		General	Local Improvements	Municipal Hospital Commission	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	Total
1534/77	F 72/77	$ —	$ —	$ —	$ 2,041,060	$1,387,500	$ —	$ —	$ —	$ 3,428,560
2198/79	Mar. 21/79	2,600,955	—	—	—	—	—	—	—	2,600,955
2578/80	Mar. 26/80	5,526,892	500,000	—	338,700	46,500	550,000	—	—	6,962,092
2860/81	Mar. 2/81	5,389,624	—	—	1,060,300	50,000	663,800	—	—	7,163,724
3160/82	Mar. 9/82	6,265,731	1,211,210	—	—	—	—	71,680	—	7,548,621
3392/83	Mar.9/83	5,397,879	1,588,393	—	—	—	—	464,350	—	7,450,622
3623/83	Dec. 20/83	590,000	—	—	—	—	—	—	—	590,000
3669/84	Mar. 12/84	11,379,569	1,950,608	1,983,775	—	—	20,367	148,240	156,300	15,638,859
3953/85	Mar. 26/85	10,998,702	2,280,247	20,340,000	2,137,900	20,000	27,764	199,000	19,060,000	55,063,613
4193/86	Apr. 9/86	29,490,671	596,107	15,446,100	11,222,100	—	7,590	710,500	7,965,600	65,438,668
4300/86	May 6/86	2,629,800	—	—	—	—	—	—	—	2,629,800
4545/87	Mar. 20/87	71,394,007	6,104,080	100,000	13,663,900	—	5,876,885	7,904,544	12,005,161	117,048,577
4616/87	June 4/87	6,000,000	—	—	—	—	—	—	—	6,000,000
		$157,663,830	$ 14,230,645	$ 37,869,875	$ 30,463,960	$ 1,504,000	$ 7,146,406	$ 9,498,314	$39,187,061	$ 297,564,091

Changes in the Outstanding Capital Borrowing Authorizations 1987

Outstanding Capital Borrowing Authorizations at December 31, 1986		$234,515,514
ADD	Initial Borrowing By-Law No. 4545/87 Approved by the Minister of Finance March 20, 1987 and passed by Council March 25, 1987	117,048,577
	Initial Borrowing By-Law No. 4616/87 approved by Minister of Finance June 4, 1987 and passed by Council June 17, 1987	6,000,000
		357,564,091
DEDUCT Debenture Debt Issued During the Year		60,000,000
Outstanding Capital Borrowing Authorizations at December 31, 1987		$297,564,091

NOTES

(1) The City of Winnipeg Act permits the City to borrow money by the issue of debentures where authorization has been granted by the Minister of Finance, or where, before November 1, 1977 authorization had been granted by the Municipal Board.

(2) Capital Borrowing authorizations approved for 1988 to June 30, 1988:
Initial Borrowing By-Law No. 4830/88 approved by Minister of Finance March 29, 1988 and passed by Council April 13, 1988 $112,080,211.

(3) Debenture Debt issued in 1988 to June 30, 1988 amounted to $100,000,000 which will be deducted from the outstanding authorizations.

(4) The unfunded balance of capital expenditures for general municipal purposes and for City owned utilities totalled $115,596,582 at December 31, 1987.

Reserve Funds

Reserve Funds

GENERAL RESERVE

City Council on May 2, 1973 authorized the establishment of a General Reserve Fund for the purpose of financing various Capital construction. Various by-laws of the former area municipalities establishing general reserves were repealed and the assets of these former reserve funds were transferred to the City of Winnipeg General Reserve. Interest charges on capital financing and investment income contribute to the growth of the reserve. The City Treasurer is the Fund Manager.

FUTURE TAX LEVIES RESERVE

City Council on May 16, 1973 authorized the establishment of a Future Tax Levies Reserve Fund to counteract the budgetary effect of fluctuations from year to year in the increased assessments due to the completion of major building construction projects by the private sector and of fully providing for uncollected taxes.

Disbursements from this reserve are limited to the annual budgetary provision for additions to the Tax Roll and any amount required to maintain the Allowance for Tax Arrears at 100% of uncollected taxes.

This reserve is maintained by the actual additions to the Tax Roll in each year and by contributions from the Sinking Fund Trustees of the City of Winnipeg in accordance with Section 338 of the City of Winnipeg Act. The City Treasurer is the Fund Manager.

EQUIPMENT REPLACEMENT RESERVE

City Council on May 2, 1973 authorized the establishment of an Equipment Replacement Reserve Fund to provide for the systematic replacement of equipment and to stabilize the effect on the annual budget. Various by-laws of the former area municipalities establishing equipment replacement reserves were repealed and the assets of these former reserve funds were transferred to the City of Winnipeg Equipment Replacement Reserve.

Disbursements from this reserve are limited to equipment replacement costs as approved in the Capital Budget.

This reserve is maintained by an annual provision for replacement, investment income and the proceeds from the sale of used equipment. The Director of Operations is the Fund Manager.

SEVERANCE SICK LEAVE RESERVE

City Council on May 16, 1973 authorized the establishment of a Severance Sick Leave Reserve Fund to counteract the possible adverse budgetary effect of a great number of employees retiring from service in any one year.

Disbursements from this reserve are limited to the sick leave cash-out payments made to Civic employees in accordance with the provisions of Working Agreements and any by-laws or resolutions of Council.

This reserve is maintained by an annual budgetary provision, subject to the approval of Council and interest earned. The City Treasurer is the Fund Manager. See Note 10 (c).

LAND OPERATING RESERVE

City Council on May 16, 1973 authorized the establishment of a Land Operating Reserve Fund to reduce the need for the issuance and sale of debentures in connection with the cost of acquisition of properties for resale.

Disbursements from this reserve are limited to the cost of acquisition of properties for resale, and any other expenses directly related to the acquisition, sale and improvement of disposable city properties.

This reserve is maintained by proceeds from the sale of City owned properties and interest earned. The Director of Land Surveys and Real Estate is the Fund Manager.

CONTRIBUTIONS IN LIEU OF LAND DEDICATION RESERVE

City Council on January 10, 1973 adopted a policy that cash payments received by the City in lieu of land dedications for open space be deposited in a fund to the credit of each community. On January 17, 1979, Council amended the policy to also permit cash payments received from the sale of surplus Parks and Recreation lands to be deposited to the credit of each community. Disbursements from this reserve are limited to costs of acquiring or improving lands for parks, recreational facilities or open space within that community. The City Treasurer is the Fund Manager.

RECREATION PROGRAMMING RESERVE

City Council on October 6, 1976, approved the creation of a Reserve Fund for recreation programming at the community level. This Reserve to be established from cumulative surpluses or deficits of former Parks and Recreation Boards and Commissions as at December 31st, 1976, and to include any unexpended or over expended balances as identified in the approved recreation programming portions of the 1976 and subsequent years budgets. Council further resolved that such reserve funds be retained under the jurisdiction of the Community Committee concerned. The General Manager of Parks and Recreation and the City Treasurer are managers of this fund.

WATERMAIN RENEWAL RESERVE

City Council on February 18, 1981 authorized the establishment of a Watermain Renewal Reserve Fund for the purpose of financing, from one source, the renewal of watermains.

Disbursements from the reserve are limited to financing the construction of watermain renewals as approved in the Capital Budget.

The reserve was established in 1981 by the transfer of $2,000,000.00 from frontage levy revenue and will be maintained by the transfer of 100% of frontage levy revenue and interest earned. The Director of Waterworks, Waste and Disposal is the Fund Manager.

ZOO ANIMALS RESERVE

City Council on September 15, 1982 authorized the establishment of a Reserve Fund to provide for the replacement and improvement of animal stock in the Assiniboine Park Zoo.

Disbursements from this reserve are limited to the acquisition, including all other directly related costs, of any Zoo animals required.

The reserve is to be maintained by proceeds from the sale of surplus Zoo animals and interest earned. The General Manager of Parks and Recreation is the Fund Manager.

ZOO PURPOSES RESERVE

City Council on December 14, 1983 authorized the establishment of a Reserve Fund to which revenues derived from various Zoo programs would be credited to augment the Zoo's operating and capital budgets.

The Board of Commissioners and the General Manager of Parks and Recreation are the Fund Managers.

WORKERS COMPENSATION RESERVE

Under the terms of By-law No. 9802 of the former City of Winnipeg provision was made for the establishment of a Workers Compensation Reserve Fund, the administration of which was vested with the Sinking Fund Trustees. On January 1st, 1972, as a result of amalgamation of municipal governments in the Greater Winnipeg area the Workers Compensation Provision Account of the former Metropolitan Corporation of Greater Winnipeg was transferred to the City of Winnipeg Workers Compensation Reserve Fund. There were no other municipalities, prior to unification, having such a reserve.

Since Section 349(1) of The City of Winnipeg Act permits City Council to provide for the establishment and maintenance of reserve funds without the passing of by-laws, all former City of Winnipeg by-laws establishing the Workers Compensation Reserve Fund have been repealed allowing for the establishment and maintenance of the Workers Compensation Reserve in accordance with Section 349 of The City of Winnipeg Act. The Sinking Fund Trustees will continue to manage the Fund.

The purpose of this Reserve is to enable the City to operate the Workers Compensation program on a self-insured basis. In lieu of paying premiums to the Workers Compensation Board, the City pays actual costs plus an administration charge. This cost is recovered from Civic departments by assessing premiums based on a percentage of gross payroll and the net result is transferred annually to the Reserve Fund. Prior to 1966 the premium was based on Workers Compensation Board rates. In addition to providing the required mechanism for self-insurance, the Reserve serves as a hedge against a work-related incident of extraordinary dimensions. The City Treasurer is the fund manager.

PARKS RESERVE

By-Law No. 14725 of the former City of Winnipeg, passed on April 8, 1935, created a fund for the perpetual care and maintenance of Brookside Cemetery, the fund to be built up by annual payments to the Sinking Fund Trustees of The City of Winnipeg during the years 1935 to 1959 amounting to 5% of the proceeds from the sale of plots and graves during the preceding year. By-Law No. 18290, passed on September 21, 1959, extended the annual payment period to 1984 and increased the amount payable each year to the fund to 25% of the proceeds from the sale of plots and graves during the preceding year. By-Law 1996/78 passed on June 14, 1978, further extended the annual payment period to the year 2004.

By-Law No. 1996/78 also created funds for the perpetual care and maintenance of St. Vital and Transcona Cemeteries to be built up by annual payments to the Sinking Fund Trustees of The City of Winnipeg during the years 1979 to 2004 (St. Vital Cemetery) and 1979 to 2029 (Transcona Cemetery) amounting to 25% of the proceeds from the sale of plots and graves during the preceding year.

The Sinking Fund Trustees are also empowered to accept deposits in respect of perpetual maintenance of individual cemetery plots but no such deposits have been accepted since 1951.

Administration of the Fund so created is vested by the respective By-laws, in the Sinking Fund Trustees. The City Treasurer is the fund manager.

INSURANCE RESERVE

City Council of the former City of Winnipeg, on September 19, 1960, authorized the establishment of an Insurance Reserve Fund to be used, at the discretion of Council, for the purpose of replacing or repairing any building or the contents thereof or any other public works or utility belonging to the City of Winnipeg that had been damaged by fire, or any other cause. On July 4, 1973 City Council authorized the use of the Insurance Reserve for the purpose of paying for any other losses that the City may incur in any part of its self insurance program, which would encompass third party liability claims, or property damage claims, including motor vehicles. Council order dated July 4, 1973 also authorized the transfer to the Sinking Fund Trustees of the insurance contingency funds of the former Metropolitan Corporation of Greater Winnipeg. Investment and administration of the fund has been vested with the Sinking Fund Trustees. The City Treasurer is the fund manager.

RESERVE FUND ASSETS AS AT DECEMBER 31

	1987	1986
General Reserve	$ 72,925,863	$ 65,469,001
Future Tax Levies Reserve	4,815,434	3,537,041
Equipment Replacement Reserve	12,817,839	9,043,554
Severance Sick Leave Reserve	4,121	2,329,964
Land Operating Reserve	20,531,657	19,064,746
Contributions in Lieu of Land Dedication Reserve	2,774,286	2,143,839
Recreation Programming Reserve	454,421	528,934
Watermain Renewal Reserve	1,505,795	1,336,569
Zoo Animals Reserve	179,909	209,701
Zoo Purposes Reserve	152,419	104,049
* The Workers Compensation Reserve	634,747	1,728,394
* Parks Reserve	2,617,673	2,282,847
* Insurance Reserve	3,725,268	3,712,075
	$123,139,432	$111,490,714

* The Assets of these Reserve Funds are being administered by the Sinking Fund Trustees of the City of Winnipeg.

The City of Winnipeg
General Reserve Fund Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$ 135,000	$ 154,537
LONG TERM INVESTMENTS, at par	2,201,000	2,767,000
DUE FROM GENERAL CAPITAL FUND	64,942,198	57,076,039
DUE FROM WATERWORKS SYSTEM	2,372,707	2,057,010
DUE FROM SEWAGE DISPOSAL SYSTEM	1,376,156	1,475,958
DUE FROM MUNICIPAL HOSPITALS	1,898,802	1,938,457
	$72,925,863	$65,469,001

Liabilities

GENERAL RESERVE ACCOUNT		
Allocated	$72,790,863	$65,314,464
Unallocated (Note 18)	135,000	154,537
	$72,925,863	$65,469,001

General Reserve Account

For the Year Ended December 31, 1987

Allocated

	1987	1986
Opening Balance	$65,314,464	$58,419,761
ADD		
Capital Construction Financed	14,100,573	12,396,313
	79,415,037	70,816,074
DEDUCT		
Principal Retirals	6,058,174	5,002,610
Maturity of Long Term Investments	566,000	499,000
Closing Balance	$72,790,863	$65,314,464

Unallocated

Opening Balance	$ 154,537	$ 154,602
ADD		
Interest Earned	383,173	452,057
Maturity of Long Term Investments	566,000	499,000
Interest on Capital Financing	7,073,689	6,442,581
Principal Retirals	6,058,174	5,002,610
	14,235,573	12,550,850
DEDUCT		
Capital Construction Financed	14,100,573	12,396,313
Closing Balance	$ 135,000	$ 154,537

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Future Tax Levies Reserve Fund Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$ 4,815,434	$ 3,537,041

Liabilities

FUTURE TAX LEVIES RESERVE ACCOUNT	$ 4,815,434	$ 3,537,041

Future Tax Levies Reserve Account

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$ 3,537,041	$ 87,129
ADD		
Transfer from allowance for tax arrears	1,180,358	230,786
Net Taxes Added During the Year and Adjustments (Note 14)	3,067,740	5,240,649
Interest Earned	233,485	126,477
	8,018,624	5,685,041
DEDUCT		
Transfer to General Revenue Fund	3,203,190	2,148,000
Closing Balance	$ 4,815,434	$ 3,537,041

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment Replacement Reserve Fund Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$12,817,839	$ 9,043,554

Liabilities

ACCOUNTS PAYABLE	$ 342,316	$ 256,684
DEFERRED CONTRIBUTIONS	75,000	—
	417,316	256,684
EQUIPMENT REPLACEMENT RESERVE ACCOUNT		
Allocated	10,651,523	6,192,673
Unallocated	1,749,000	2,594,197
	12,400,523	8,786,870
	$12,817,839	$ 9,043,554

Equipment Replacement Reserve Account

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$ 8,786,870	$ 8,757,411
Less: Prior Period Adjustment	—	43,990
Adjusted Opening Balance	8,786,870	8,713,421
ADD		
Provision for Replacement for the Year	5,337,510	5,089,235
Interest Earned	711,688	664,056
Sale of Equipment	358,265	393,590
Damage Claims Recoveries (Note 21(b))	17,340	732
	15,211,673	14,861,034
DEDUCT		
Purchase of Equipment (Note 1(E))	2,811,150	6,074,164
Closing Balance	$12,400,523	$ 8,786,870

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Severance Sick Leave Reserve Fund Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$4.121	$2.329.964

Liabilities

ACCOUNTS PAYABLE	4.121	47.129
SEVERANCE SICK LEAVE RESERVE ACCOUNT (Note 10(c))	—	$2.282.835
	$4.121	$2.329.964

Severance Sick Leave Reserve Account

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$2.282.835	$3.954.871
ADD		
Contribution From General Revenue Fund	655.553	—
Interest Earned (Net)	62.020	403.992
Gain on Sale of Investment	—	254.433
	3.000.408	4.613.296
DEDUCT		
Benefit Payments	4.040.973	3.463.798
Less Utilities, Municipal Hospitals and other	1.040.565	1.133.337
	3.000.408	2.330.461
Closing Balance	$ —	$2.282.835

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Land Operating Reserve Fund Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$ 5,509,983	$ 5,790,261
ACCOUNTS RECEIVABLE - Short Term	860,527	323,778
- Long Term	2,380,374	3,505,661
Less Allowances (Note 1(H))	2,440,438	3,829,439
	800,463	—
LONG TERM INVESTMENTS, at par	1,320,000	1,660,000
DUE FROM GENERAL CAPITAL FUND (Note 2(b))	2,344,208	2,635,101
DEFERRED CHARGES	2,023	2,794
PROPERTY AND IMPROVEMENTS (Note 12(b))	10,554,980	8,976,590
	$20,531,657	$19,064,746

Liabilities

ACCOUNTS PAYABLE	$ 299,786	$ 1,081,424
DEFERRED REVENUE	2,290,122	1,087,346
DEFERRED LIABILITIES	248,932	—
LAND SALES DEPOSITS	23,720	29,818
	2,862,560	2,198,588
LAND OPERATING RESERVE ACCOUNT		
Unallocated - Available for Future Financing	584,580	1,807,020
Allocated		
Current Projects	2,863,307	1,784,653
Capital Construction Financed	3,664,208	4,295,101
Equity in Land	10,557,002	8,979,384
	17,669,097	16,866,158
	$20,531,657	$19,064,746

Land Operating Reserve Account

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$16,866,158	$17,837,368
ADD		
Land Sales (Note 12(c))	4,039,673	5,691,322
Interest on Bank	689,000	911,903
Capital Construction Interest	343,604	404,162
Miscellaneous Revenue	2,339	565
Project Administration Fee	72,000	—
	22,012,774	24,845,320
DEDUCT		
Cost of Land Sold	3,156,722	2,467,513
Servicing and Sales Expense	4,996	24,416
Miscellaneous Expenses	963	2,662
Transfer to General Revenue Fund	—	2,000,000
Transfer to Land Dedication Fund	387,527	300,058
Transfer to General Capital Fund	793,469	2,182,213
Transfer to Workers Compensation Reserve Fund	—	1,000,000
Transfer to Hydro Electric System	—	2,300
	4,343,677	7,979,162
Closing Balance	$17,669,097	$16,866,158

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Contributions in Lieu of Land Dedication Reserve Fund
Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$2,774,286	$2,143,839

Liabilities

CONTRIBUTIONS IN LIEU OF LAND DEDICATION RESERVE ACCOUNT	$2,774,286	$2,143,839

Contributions in Lieu of Land Dedication Reserve Account

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$2,143,839	$2,126,769
ADD		
Proceeds from Sale of Dedicated Land	387,527	300,058
Cash Payments in Lieu of Land Dedication	1,287,128	660,958
Interest Earned	157,714	159,312
	3,976,208	3,247,097
DEDUCT		
Park Land and Improvements	1,194,694	1,103,258
Purchase of Land	7,228	—
	1,201,922	1,103,258
Closing Balance	$2,774,286	$2,143,839

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Recreation Programming Reserve Fund
Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$454.421	$528.934

Liabilities

RECREATION PROGRAMMING RESERVE ACCOUNT		
Allocated	$114.935	$ 95.031
Unallocated	339.486	433.903
	$454.421	$528.934

Recreation Programming Reserve Account

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$528.934	$582.071
ADD		
Interest Earned	26.861	36.085
Unexpended Balances of Approved Recreation Programming Budgets (Net)	59.591	72.114
	615.386	690.270
DEDUCT		
Disbursements	160.965	161.336
Closing Balance	$454.421	$528.934

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Watermain Renewal Reserve Fund
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$1.505.795	$1.336.569

Liabilities

ACCOUNTS PAYABLE	$ 387.463	$ 481.126
WATERMAIN RENEWAL RESERVE ACCOUNT — Allocated	819.537	681.857
— Unallocated	298.795	173.586
	1.118.332	855.443
	$1.505.795	$1.336.569

Watermain Renewal Reserve Account
For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$ 855.443	$ 950.917
ADD		
Frontage Levies	8.396.815	8.235.065
Interest Earned	92.592	97.186
	9.344.850	9.283.168
DEDUCT		
Watermain Renewals Funded	8.216.768	8.419.866
Builders Lien Act Interest	9.750	7.859
	8.226.518	8.427.725
Closing Balance	$1.118.332	$ 855.443

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Zoo Animals Reserve Fund
Balance Sheet

As at December 31, 1987

Assets

	1987	1986
ACCOUNTS RECEIVABLE	$ 25,640	$ 27,650
DUE FROM GENERAL REVENUE FUND	154,269	182,051
	$179,909	$209,701

Liabilities

ACCOUNTS PAYABLE	$ 21,920	$ 1,537
ZOO ANIMALS RESERVE ACCOUNT	157,989	208,164
	$179,909	$209,701

Zoo Animals Reserve Account

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$208,164	$192,124
ADD		
Animal Sales	71,250	69,446
Interest Earned	10,959	13,928
	290,373	275,498
DEDUCT		
Disbursements	132,384	67,334
Closing Balance	$157,989	$208,164

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Zoo Purposes Reserve Fund
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$152.419	$104.049

Liabilities

ZOO PURPOSES RESERVE ACCOUNT	$152.419	$104.049

Zoo Purposes Reserve Account
For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$104.049	$ 61.763
ADD		
Donation Boxes Revenue	22.292	13.936
Feeding Dispenser Revenue	12.600	7.105
Adoption Program Revenue	20.367	15.815
Colouring Books Revenue	7.171	6.283
Rental Stroller/Wheelchairs	11.208	12.408
	177.687	117.310
Interest Earned	7.747	5.739
	185.434	123.049
DEDUCT		
Disbursements	33.015	19.000
Closing Balance	$152.419	$104.049

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Capital Fund, General Revenue Fund and Reserve Funds
Notes to the Financial Statements

December 31, 1987

1. **Significant Accounting Policies**

   A. FOREIGN EXCHANGE ON DEBENTURE DEBT—General Capital Fund

   Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rates prevailing at the balance sheet date, are fully provided for in the Long Term Debt section. (See Note 6(b))

   B. TAX ARREARS AND ALLOWANCE FOR TAX ARREARS—General Revenue Fund

   The allowance for Tax Arrears is not an allowance to bring the value of the taxes receivable to their estimated realizable value. It is an account which fully provides for uncollected taxes.

   C. ALLOWANCE FOR ACCOUNTS RECEIVABLE—General Revenue Fund

   Includes an allowance of $475,915 to bring the value of Accounts Receivable to their estimated realizable value and an allowance in the amount of $2,017,874 to convert certain revenue to a cash basis.

   D. ACCOUNTS PAYABLE—General Revenue Fund

   Commitments arising from purchase orders for goods and services which were not received during the year, are set up as accounts payable. (See Note 11)

   E. FIXED ASSETS—General Capital, Revenue and Equipment Replacement Reserve Funds

   Fixed assets of the General Capital Fund are valued at the amount of existing liabilities. In addition to assets which are capitalized, certain assets are treated as expenditures in the Revenue Fund and vehicles and associated equipment are treated as expenditures in the Equipment Replacement Reserve Fund.

   F. MATERIALS AND SUPPLIES

   Inventories are valued at specific cost, first in first out, last in first out and estimated cost.

   G. GROSS ACCOUNTING CONCEPT

   All revenues received and expenditures paid by the city with minor exceptions are reported at their gross amount in the accounting records.

   H. ALLOWANCE FOR AGREEMENTS FOR LAND SALES—Land Operating Reserve Fund

   This is not an allowance to bring the value of Agreements for Land Sales to their estimated realizable value. It is an allowance to convert land sales revenue to a cash basis. The unreserved amount of $800,000 is the result of the sale of the Fort Garry Hotel under a long term sales agreement.

   I. ACCRUAL BASIS OF ACCOUNTING—General Capital, Revenue and Reserve Funds

   As noted in notes 1C and H, a cash basis of accounting is used for these revenues. A cash basis is also used for other revenues where accruals are not practical, such as licenses and police court fines. Interest revenue and expense are accrued for all external investments and debt (see note 5d) but no accruals are reflected for long-term intra-fund liabilities to the General Reserve Fund. All other items of revenue and expenditure are accounted for on an accrual basis.

   J. OVERHEAD ON CAPITAL PROJECTS

   Administration (to a maximum charge of $100,000 on any individual project) and interest are added on capital contract work and capitalized in the General Capital Fund. From time to time Council has waived this policy.

2. **Fixed Assets - General Capital Fund**

   a) Financed from General Reserve Fund — This asset is the cost of Local Improvements and other capital assets which have been financed from various reserve funds or Nominal Surplus during prior years or which were financed from the General Reserve Fund since January 1, 1972. This asset has been set up in the accounts to record the principal amount which is receivable from the General Revenue Fund and the ratepayers in the future, during the term of the various levying by-laws, with the offsetting liability shown as "Due to General Reserve Fund".

   b) Financed from Land Operating Reserve Fund — This asset is the cost of Local Improvements which have been financed from the Land Operating Reserve Fund to improve City owned unserviced land for re-sale. This asset has been set up in the accounts to record the principal amount which is receivable from the General Revenue Fund and the ratepayers in the future, during the term of the various levying by-laws, with the offsetting liability shown as "Due to Land Operating Reserve Fund"

3. **Joint Use Facilities**—General Capital Fund

   This asset represents the City's share of developing recreational and other facilities with School Boards.

4. **Funds on Deposit with Sinking Fund Trustees—For the City of Winnipeg**—General Capital Fund

   a) The Sinking Fund Trustees of The City of Winnipeg is a separate corporate entity incorporated under the provisions of The City of Winnipeg Act.

   b) Included in this asset are deposits for foreign exchange requirements of $7,181,619.

5. **Debenture Debt**—General Capital and Utility Funds

   a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%.

   The following table sets out those By-laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	3%
4025/85	1985	5 Years	3%
4246/86	1986	5 Years	3%
4247/86	1986	7 Years	3%
4347/86	1986	10 Years	3%
4510/87	1987	5 Years	3%

   b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital and Utilities Funds in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

i)

	General Capital Including Schools	Utilities	Total
In Canadian Dollars	$317,914,674	$191,183,901	$509,098,575
In United States Dollars	64,099,998	32,900,000	96,999,998
	$382,014,672	$224,083,901	$606,098,573

ii) Included in the $317,914,674 is an amount of $43,253,000 which represents the City's Canadian dollar liability under the terms of a Japanese Yen -United States dollar fully swapped combination of loans which mature in 1993.

d) Includes debt in the amount of $ 238,000 issued on behalf of the Winnipeg School Division No. 1 by the former City of Winnipeg. The School Division issued its debentures to the City of Winnipeg as collateral for the City of Winnipeg debentures issued on its behalf. All interest and principal requirements are recovered from the School Division who in turn recover these costs from the Provincial Government. The City does not accrue interest on School Division debt.

e) City of Winnipeg debentures are held as investments in various funds as follows:

General Revenue Fund	$ 202,920 par value
Reserve Funds administered by the City Treasurer	$ 3,521,000 par value
Reserve Funds administered by the Sinking Fund Trustees of The City of Winnipeg	$ 2,034,000 par value
Pension Funds	$13,868,000 par value
Sinking Fund Administered by the Sinking Fund Trustees of The City of Winnipeg	$63,064,839 par value

6. **Provision for Foreign Exchange at Maturity**—General Capital, Revenue and Utility Funds

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

General Capital Fund	$7,181,619
Hydro Electric System	2,866,733
Transit System	1,784,518
Water Works System	1,352,696
Sewage Disposal System	935,498
	$14,121,064

b) Debenture debt payable in foreign currencies amounted to $96,999,998 as at December 31, 1987. The foreign exchange on this liability at the exchange rates prevailing at balance sheet date totalled $29,080,599. To date $11,442,376 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency debenture issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $2,288,373. The foreign exchange deficiency of $15,349,850 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as deferred charges to be amortized over the remaining life of the related debenture issues by annual charges to appropriations and/or operations.

			Provision for Foreign Exchange		
	Debenture Debt Payable in Foreign Currencies	Foreign Exchange Liability	Accumulated Provision to Date	Foreign Exchange On Sinking Fund held Investments	Deferred to Future Periods
General Capital Fund	$64,099,998	$19,217,179	$ 6,398,096	$1,376,435	$11,442,648
Hydro Electric System	15,600,000	4,676,880	2,620,985	555,686	1,500,209
Transit System	6,500,000	1,948,700	1,622,719	200,866	125,115
Water Works System	7,400,000	2,218,520	485,455	139,397	1,593,668
Sewage Disposal System	3,400,000	1,019,320	315,121	15,989	688,210
	$ 96,999,998	$29,080,599	$11,442,376	$2,288,373	$15,349,850

7. **Deferred Liabilities**—General Capital Fund

Under the terms of certain development agreements, the City is required to pay the developer local improvement taxes to be collected in future years, in payment for improvements made which benefit property not included in the development agreement.

8. **Sinking Fund Reserve**—General Capital and Utility Funds

The Sinking Fund Trustees have allocated $12,810,979 of their surplus to the City to be distributed as follows:

$ 4,960,000	toward foreign exchange costs — 1987 Budget
850,979	toward foreign exchange costs — 1988 Budget
2,213,000	toward levy commutations — 1987 Budget
$ 4,787,000	toward levy communtation — 1988 Budget
$12,810,979	

9. **Tax Arrears and Allowance for Tax Arrears**—General Revenue and Future Tax Levies Reserve Funds

a) In 1972 City Council adopted a policy of purchasing all tax sale certificates which may subsequently be redeemed by the original owner within one year or assigned by the City to anyone demonstrating a legal interest, failing which the City will acquire title.

b) Tax Arrears does not include arrears for property for which the City has acquired title through tax sale procedures. Tax titles are transferred to Land Operating Reserve Fund in the year in which title is acquired and in 1987 this amounted to 19 properties at $2,812,912. If the property is sold in a subsequent year, the sale is recorded in the Land Operating Reserve Fund at that time.

c) In accordance with a policy established by the former City of Winnipeg and approved by Council on May 16, 1973, uncollected taxes are fully provided for. At December 31, 1987 the Allowance for Tax Arrears exceeded the amount of uncollected taxes and penalties after giving effect to write-offs amounting to $1,105,413 and the excess of $1,180,358 was credited back to the reserve for Future Tax Levies.

10. **Contingent Liabilities** — General Capital, Revenue and Severance Sick Leave Reserve Funds

a) There is a contingent liability to the City which has unconditionally guaranteed the payment of principal and interest on the following debentures:

1972		
Winnipeg Enterprises Corporation 8½% Sinking Fund Due 1992		$ 1,500,000
1978		
Winnipeg Enterprises Corporation 9% 6 - 10 year Serial 1984 - 1988	153,000	
Winnipeg Enterprises Corporation 9¼% 11 - 15 year Serial 1989 - 1993	995,000	
Winnipeg Enterprises Corporation 9½% 16 - 20 year Serial 1994 - 1998	1,539,000	2,687,000
1981		
Winnipeg Enterprises Corporation 14% Serial 1981 - 1991		978,000
1987		
Winnipeg Enterprises Corporation 10.4% Serial 1988 - 1997		2,466,000
		$7,631,000

The debentures of the Winnipeg Enterprises Corporation are held as investments by the Sinking Fund Trustees of The City of Winnipeg. There is an actuarial Sinking Fund Reserve of $1,018,155 accumulated at December 31, 1987 for the redemption of the sinking fund debentures.

b) Under the terms of an agreement with the Province of Manitoba for the financing of the tunnel connecting the Centennial Centre with the Civic Centre complex, there is a liability to the Province in the amount of $53,834 being the outstanding balance of the Province's share of the amortization of the capital cost of the tunnel. This amount will be recovered from night parking revenue earned in the Civic Centre Parkade.

c) Under the sick pay credit plans for certain employees of the City, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). In order to counteract the budgetary effect of an unusually high cost in any one year, the Severance Sick Leave Reserve Fund was established by Council in 1972. At December 31, 1987 there was no fund balance in this reserve. The merit of maintaining a reserve for this purpose will be reviewed in 1988.

d) The City is defendant in seven significant lawsuits as at December 31, 1987. At this time ultimate liability is not determinable. Normal contingent liabilities exist consisting of routine claims for street and sidewalk accidents, property damage, etc.

e) No provision has been made in the accounts for commitments arising from property expropriations.

f) The City has unconditionally guaranteed the payment of principal and interest on a capital improvement loan for Kirkfield Westwood Community Centre, maturity in 2005. At December 31, 1987 the outstanding balance was $403,357.

11. **Commitments included in Accounts Payable** — General Revenue Fund

For purposes of financial control, the City's accounts are encumbered at the year end with purchase orders for goods and services which were not received amounting to $5,750,415 in 1987. The effect of this policy is to provide for these expenditures in the current year when they would otherwise be a charge against future operations.

12. **Land Assets**—General Capital and Land Operating Reserve Funds

a) General Capital Fund—Land purchases which are financed through the Capital Fund are amortized by repayment of the debt.

b) Land Operating Reserve Fund—Land purchases including land acquired in tax sale and the cost of local improvements on these disposable city properties have been recorded as assets at cost.

c) Land sales includes revenue from sale of land not included in Property and Improvements inventory.

d) As at December 31, 1987 the City of Winnipeg owned approximately 14,601 acres of land within its boundaries, excluding land legally designated for transportation purposes, having a total assessed value of $242,647,660 for land and $145,398,400, for buildings. See Note 13(b).

13. **Realty Tax** — General Revenue Fund

a) The Realty Tax Roll initial billing for the year produced $458,122,332 in revenue. The same amount was budgeted for this item and was taken into revenue.

b) In 1986 general reassessment of property was undertaken by the City of Winnipeg for the first time since 1965. As a result total assessment in 1987 was 280% greater than in 1986:

1987 assessment was $7,143,115,830 (1975 property values)
1986 assessment was $1,880,738,260 (75% of 1957 property values)

To accommodate the resultant shift of the tax burden between property classes it was deemed necessary to establish eight classes (formerly two), each with a different mill rate. In addition, Council adopted a plan to provide relief to any property owner whose increase due to reassessment exceeded 10%. The plan provides uniform incremental discounts, over three years, before the full increase is borne by those property owners. The cost of phasing in relief was $583,000 in 1987.

14. **Realty Taxes Added** — General Revenue and Future Tax Levies Reserve Funds

Realty Taxes Added and other adjustments for the year mainly as a result of new construction amounted to $3,067,740. This amount was credited to the Future Tax Levies Reserve Fund. The budgeted amount of $2,248,000 was transferred to the General Revenue Fund as income. An additional amount of $955,190 was also transferred to offset the costs of accelerating the assessment process and providing phasing in relief due to the general reassessment - see Note 13(b).

15. **Licenses in Lieu of Taxes** — General Revenue Fund

a) Realty Tax - mobile homes are not assessed on the tax roll but are taxed by way of license in accordance with standardized rates.

b) Business Tax - businesses that are not assessed on the tax roll are taxed at prevailing rates by way of license.

16. **Amortization of Pension Fund Deficits**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The 1986 Transcona Pension Fund payment of $151,000 was adjusted to $25,000 by refund in 1987. This re-established the liability and amortization schedule in accordance with the 1985 valuation except for item 5 which is new for 1987.

Pension Fund	Liability Dec. 31, 1987		Annual Payment	Term
1. Employee Benefits	$37,986,100	(Pension Improvements)	$4,999,000	to 2000
2. Employee Benefits — Firefighters	5,729,200	(Pension Improvements)	754,000	to 2000
3. Employee Benefits	434,800		173,000	to 1990
4. Employee Benefits — Firefighters	1,989,100		790,000	to 1990
5. Police	7,020,163	(Pension Improvements)	878,700	to 2001
6. Transcona	190,900		25,000	to 2000
7. Council Members (Pre 1972)	36,300		6,281	to 1994

All liabilities listed are charged to the General Revenue Fund except for items 1 and 3 which have been apportioned in part to the City's utilities and other operating funds as follows:

	1. Employee Benefits		3. Employee Benefits	
	Liability	Annual Payment	Liability	Annual Payment
General Revenue	$18,727,100	$2,464,507	$214,400	$85,289
Hydro Electric System	3,114,900	409,918	35,700	14,186
Steam Heating System	227,900	29,994	2,600	1,038
Transit System	10,294,200	1,354,729	117,800	46,883
Water Works System	2,089,200	274,945	23,900	9,515
Sewage Disposal System	645,800	84,983	7,400	2,941
Equipment and Material Services	949,700	124,975	10,900	4,325
Municipal Hospitals	1,937,300	254,949	22,100	8,823
	$37,986,100	$4,999,000	$434,800	$173,000

17. **Interest on Reserve Funds**

Interest is credited to the following reserve funds: General Reserve Fund, Future Tax Levies Reserve Fund, Equipment Replacement Reserve Fund, Severance Sick Leave Reserve Fund, Land Operating Reserve Fund, Contributions in Lieu of Land Dedication Reserve Fund, Recreation Programming Reserve Fund, Watermain Renewal Reserve Fund, Zoo Animals Reserve Fund and Zoo Purposes Reserve Fund.

The Workers Compensation Reserve Fund, Parks Reserve Fund and Insurance Reserve Fund are administered by the Sinking Fund Trustees. Interest earned on these reserve funds is from investments of each individual fund.

18. **General Reserve Fund Unallocated**

The City is currently over committing this fund by an amount which approximates the current year's capital budget for Local Improvements. As of December 31st, 1987 this over-committment amounted to $6,299,428.

19. **Provincial Government Grants — General Revenue Fund**

The Provincial Government provided a grant of $15,656,600 toward the 1987 Transit System deficit and this amount was transferred as part of the Appropriation to Transit System.

20. **General Government Charges - General Revenue Fund**

This revenue item includes the share of the City's general expenditures deemed applicable to the City's utilities:

	1987	1986
Equipment and Material Services	$ 334,229	$ 319,678
Hydro Electric System	865,959	838,600
Steam Heating System	48,961	48,640
Transit System (See Note 21 (a))	945,221	1,650,244
Water Works System	675,017	642,788
Sewage Disposal System	310,398	296,886
	$3,179,785	$3,796,836

21. **Changes in Accounting Treatment**

The following changes in accounting treatment were instituted in 1987.

General Revenue Fund - Statement of Revenue and Expenditure

a) The cost of the treasury function for the Transit System was transferred in 1987 from General Government to the Transit System Fund. In 1986, which was not restated, this cost was $972,000.

Equipment Replacement Reserve Account Statement

b) In 1987 revenue from damage claims recoveries has been shown as a separate item on the Account Statement. This revenue was formerly included in Sale of Equipment. The 1986 figures have been restated for comparative purposes.

The City of Winnipeg
Workers Compensation Reserve Fund
Balance Sheet

As at December 31, 1987

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1987 Par Value		1987	1986
$ —	Provincial	$ —	$ 50,000
25,000	Provincial guaranteed	23,937	23,937
469,000	City of Winnipeg	461,106	474,106
$ 494,000	Total investment in bonds and debentures	485,043	548,043
	Accrued Interest	6,918	9,325
	Cash	142,786	171,026
	Accounts Receivable	—	1,000,000
	TOTAL	$ 634,747	$1,728,394

Liabilities

FUNDS DUE CITY OF WINNIPEG - 1987 DEFICIT	$ 34,444	$1,157,981
ACCOUNTS PAYABLE	300	300
WORKERS COMPENSATION RESERVE ACCOUNT	600,003	570,113
TOTAL	$ 634,747	$1,728,394

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg

We have examined the balance sheet of The City of Winnipeg—Workers Compensation Reserve Fund as at December 31, 1987 and the statement of workers compensation reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
March 23, 1988

The City of Winnipeg
Workers Compensation Reserve Account

For the Year Ended December 31, 1987

	1987	1986
BALANCE AT BEGINNING OF THE YEAR	$ 570.113	$ 659.637
ADD		
Interest income	64.957	68.948
City of Winnipeg - Contributions	—	1.000.000
	635.070	1.728.585
DEDUCT		
Due City of Winnipeg — 1987 Deficit	34.444	1.157.981
Call Fund Administration Fee - City of Winnipeg	323	191
Audit Fees	300	300
BALANCE AT END OF THE YEAR	$ 600.003	$ 570.113

Note to the Financial Statements

December 31, 1987

VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to reserve account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.

The City of Winnipeg
Parks Reserve Fund
Balance Sheet

As at December 31, 1987

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1987 Par Value		1987	1986
$ 835,000	Government of Canada & Canada guaranteed	$ 831,875	$ 831,875
61,000	Provincial & Provincial guaranteed	60,750	63,750
169,000	City of Winnipeg	163,300	182,353
43,000	Other Canadian cities	40,797	40,797
$1,108,000	Total investment in bonds and debentures	1,096,722	1,118,775
	Bond Residues and Coupons - Government of Canada	507,788	307,107
	- Provincial	778,914	683,042
		2,383,424	2,108,924
	Accrued Interest	39,010	39,493
	Cash	2,808	763
	Call loans—City of Winnipeg	51,400	18,400
	TOTAL	$2,476,642	$2,167,580

Liabilities

ACCOUNTS PAYABLE	$ 300	$ 667
RESERVE ACCOUNTS		
Perpetual maintenance—Brookside Cemetery	2,465,868	2,156,435
—Special Plots	10,474	10,478
TOTAL	$2,476,642	$2,167,580

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Parks Reserve Fund as at December 31, 1987 and the statement of reserve accounts for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
March 23, 1988

The City of Winnipeg
Parks Reserve Accounts

For the Year Ended December 31, 1987

	1987	1986
BROOKSIDE CEMETERY MAINTENANCE		
Balance at beginning of the year	$2.156.434	$1.877.757
Add		
Capital additions contributed by The City of Winnipeg	45.409	46.923
Interest income	260.500	231.079
Net Gain on Disposal of Securities	3.947	1.110
	2.466.290	2.156.869
Deduct		
Audit Fees	300	300
Call fund administration fees - City of Winnipeg	122	135
Balance at end of the year	$2.465.868	$2.156.434
SPECIAL PLOTS MAINTENANCE		
Balance at beginning of the year	$ 10.478	$ 10.482
Add interest income	363	364
	10.841	10.846
Deduct annual maintenance	367	368
Balance at end of the year	$ 10.474	$ 10.478

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Note to the Financial Statements

December 31, 1987

SIGNIFICANT ACCOUNTING POLICIES

Fixed income investments

Fixed income investments are carried at the lower of cost and par value. Any premiums paid on the purchase of these investments are written-off to the income account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.

Bond residues and coupons

Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

The City of Winnipeg
Transcona Cemetery Reserve Fund
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
INVESTMENT IN BOND RESIDUES AND COUPONS (Note)	$ 49,706	$ 38,313
Cash	569	456
Call Loans—City of Winnipeg	6,000	7,500
TOTAL	$ 56,275	$ 46,269

Liabilities

ACCOUNTS PAYABLE	$ 300	$ 300
RESERVE ACCOUNT	55,975	45,969
TOTAL	$ 56,275	$ 46,269

Note: Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

Transcona Cemetery Reserve Account

Balance at Beginning of the Year	$ 45,969	$ —
Add:		
Transfer from Parks Reserve Fund	—	36,497
Interest Income	4,820	4,628
Capital Contributions — City of Winnipeg	5,499	5,178
	56,288	46,303
Deduct:		
Administration Fees	313	334
Balance at End of the Year	$ 55,975	$ 45,969

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Transcona Cemetery Reserve Fund as at December 31, 1987 and the statement of reserve accounts for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
March 23, 1988

The City of Winnipeg
St. Vital Cemetery Reserve Fund
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
INVESTMENT IN BOND RESIDUES AND COUPONS (Note)	$ 75,430	$ 58,619
Cash	826	379
Call Loans—City of Winnipeg	8,500	10,000
TOTAL	$ 84,756	$ 68,998

Liabilities

ACCOUNTS PAYABLE	$ 300	$ 300
RESERVE ACCOUNT	84,456	68,698
TOTAL	$ 84,756	$ 68,998

Note: Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

St. Vital Cemetery Reserve Account

Balance at Beginning of the Year	$ 68,698	$ —
Add:		
Transfer from Parks Reserve Fund	—	56,435
Interest Income	7,579	6,414
Capital Contributions — City of Winnipeg	8,497	6,171
	84,774	69,020
Deduct:		
Administration Fees	318	322
Balance at End of the Year	$ 84,456	$ 68,698

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—St. Vital Cemetery Reserve Fund as at December 31, 1987 and the statement of reserve accounts for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
March 23, 1988

The City of Winnipeg
Insurance Reserve Fund
Balance Sheet

As at December 31, 1987

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1987 Par Value		1987	1986
$1,650,000	Government of Canada	$1,649,063	$1,649,063
50,000	Provincial and Provincial guaranteed	50,000	50,000
1,396,000	City of Winnipeg	1,381,590	1,479,080
$3,096,000	Total investment in bonds and debentures	3,080,653	3,178,143
	Accrued Interest	109,627	111,813
	Cash	1,488	1,619
	Call Loans—City of Winnipeg	533,500	420,500
	TOTAL	$3,725,268	$3,712,075

Liabilities

	1987	1986
ACCOUNTS PAYABLE	$ 523,801	$ 386,021
INSURANCE RESERVE ACCOUNT	3,201,467	3,326,054
TOTAL	$3,725,268	$3,712,075

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Insurance Reserve Fund as at December 31, 1987 and the statement of insurance reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte, Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
March 23, 1988

The City of Winnipeg
Insurance Reserve Account

For the Year Ended December 31, 1987

	1987	1986
BALANCE AT BEGINNING OF THE YEAR	$3,326,054	$3,297,572
ADD		
Interest income	399,884	415,953
Gains on disposal of investments	510	—
	$3,726,448	$3,713,525
DEDUCT		
Premium on Purchase of Investments	—	500
Call Fund Administration Fee - City of Winnipeg	1,180	950
Audit fees	300	300
Appropriations for current year's claims	523,501	385,721
	524,981	387,471
BALANCE AT END OF THE YEAR	$3,201,467	$3,326,054

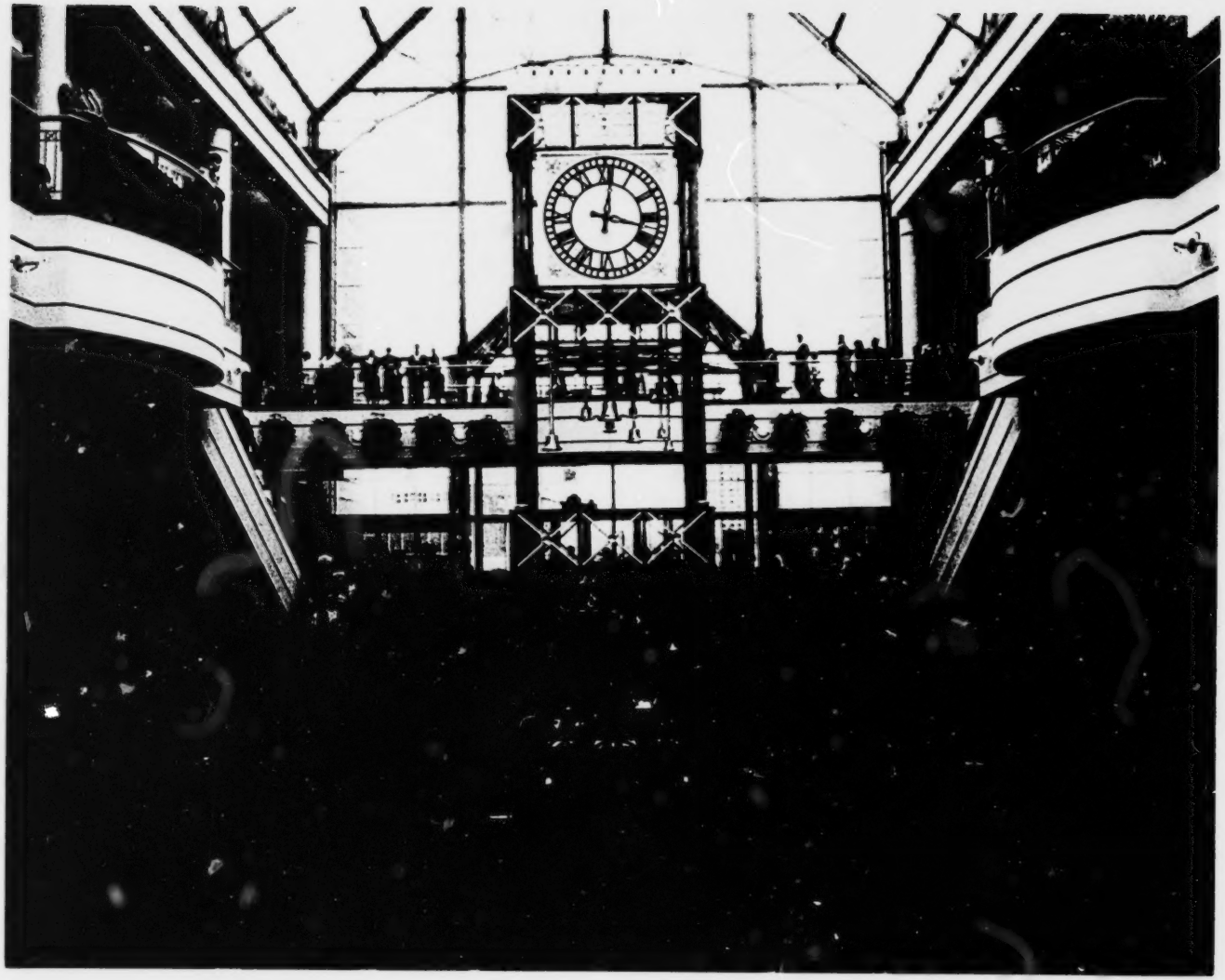
Note to the Financial Statements

December 31, 1987

VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to reserve account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.



Portage Place officially opened its doors in the fall of 1987. Pictured here is Edmonton Court and the public clock which was installed at City Hall in 1903. Removed from the tower in 1961, the original movement was restored and electrified prior to reinstallation in this downtown revitalization scheme known as the North Portage Development.

(Photos Courtesy of John Wyne, Pro-Slide Productions)

Trust Funds

The City of Winnipeg
Trust Funds Balance Sheet

As at December 31, 1987

Assets

	1987	1986
DUE FROM GENERAL REVENUE FUND	$80,904	$85,662

Liabilities

LIBRARY TRUST	$ 1,156	$10,542
ST. BONIFACE MUSEUM BOARD TRUST	55,017	52,025
PORTAGE AND MAIN CONCOURSE TRUST	16,726	16,457
ZOO TRUST	7,491	6,638
BENJAMINSON PARK TRUST	514	—
	$80,904	$85,662

Trust Funds Account

For the Year Ended December 31, 1987

	Library Trust		St. Boniface Museum Board Trust		Portage & Main Concourse Trust		Zoo Trust		Benjaminson Park	Trust Funds Total	
	1987	1986	1987	1986	1987	1986	1987	1986	1987	1987	1986
Opening Balance	$10,542	$ 8,165	$52,025	$48,158	$16,457	$14,069	$ 6,638	$ 5,817	$ —	$85,662	$76,209
ADD:											
Contributions	7,605	12,870	—	400	1,332	1,332	458	390	500	9,895	14,992
Interest Earned	327	647	2,992	3,467	927	1,056	395	431	14	4,655	5,601
	18,474	21,682	55,017	52,025	18,716	16,457	7,491	6,638	514	100,212	96,802
DEDUCT:											
Disbursements	17,318	11,140	—	—	1,990	—	—	—	—	19,308	11,140
Closing Balance	$1,156	$10,542	$55,017	$52 025	$16,726	$16,457	$7,491	$6,638	$ 514	$80,904	$85,662

Trust Funds

LIBRARY TRUST

Is comprised of donations from private citizens and organizations in support of various library services. The City Librarian is the Fund Manager.

ST. BONIFACE MUSEUM BOARD TRUST

Is comprised of Senior Government grant funds to be specifically utilized for the museum's capital, operating and tape transcript programs. The Administrator of the museum is the Fund Manager.

PORTAGE & MAIN CONCOURSE TRUST

Is funded by way of a square footage levy on Concourse shop tenants. The funds are to be utilized for the promotion or benefit of the Concourse. The Director of Civic Properties is the Fund Manager.

ZOO TRUST

Is comprised of donations from private citizens and organizations for any zoo purpose. Funds were originally derived from the sale of promotional decals donated by the Zoological Society of Manitoba. The General Manager of Parks and Recreation is the Fund Manager.

BENJAMINSON PARK TRUST

Is a donation from the Benjaminson family. Funds to be used for enhancement of a park named in honour of their late father.

The Trustees of the Dental Services Plan For The City of Winnipeg Employees Trust Fund Balance Sheet

As at December 31, 1987

Assets

	1987	1986
Cash in Bank	$ 181,109	$ 182,644
Accounts Receivable - The City of Winnipeg	341,797	324,275
Accrued Interest	1,196	1,319
	$ 524,102	$ 508,238

Liabilities

Accounts Payable	$ 130,891	$ 95,661
Trust Account	393,211	412,577
	$ 524,102	$ 508,238

Trust Fund Account

For The Year Ended December 31, 1987

		1987	1986
Opening Balance		$ 412,577	$ 315,064
ADD	Contributions - The City of Winnipeg	4,327,980	3,823,504
	Interest Earned	13,565	13,378
		4,754,122	4,151,946
DEDUCT	Dental Claims	4,269,321	3,627,024
	Administration Fee	91,590	112,345
		4,360,911	3,739,369
Closing Balance		$ 393,211	$ 412,577

Note to the Financial Statements

December 31, 1987

ACCOUNTING POLICIES

The Fund's policy is to apply interest earned on the prior year to the current year's contributions made by The City of Winnipeg for dental benefits.

The Trustees of the Dental Services Plan for The City of Winnipeg Employees

City Council on October 15, 1980 authorized the appointment of the City Treasurer, the Medical Health Officer and the Director of Personnel as trustees of the Dental Services Plan for The City of Winnipeg Employees.

The Plan revenue consists of contributions from The City of Winnipeg for dental claims paid by the Trustees and bank interest earned.

The disbursements from this reserve are limited to eligible dental claims submitted to the service company by the employees and service company administration fees.

Auditor's Report

To The Trustees of the Dental Services Plan for
The City of Winnipeg Employees

I have examined the balance sheet of the Trustees of the Dental Services Plan for The City of Winnipeg Employees as at December 31, 1987 and the Trust Funds Account for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Dental Services Plan for The City of Winnipeg Employees as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

L. E. Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
April 5, 1988

Tax Levies, Rates and Assessments

Tax Levies, Rates and Assessments

In addition to the tax revenues required to be raised for municipal purposes, Council, under the continuing provisions of the Public Schools Act, must fix and impose taxes sufficient to meet that portion of the cost of education that is to be raised through levies on assessable property within the City of Winnipeg.

The tax rate equalization effects of Provincial legislation enacted for the year 1972, i.e., unification and amendments to the Public Schools Act, were significant. This included the application of uniform mill rates for the municipal levy and the major part of the total schools requirement.

The amounts that were required to be raised in 1987 included the City's share of the Province's Education Support Program and the requirements of the twelve school divisions (located wholly or in part within the City) representing the portion of their costs that were determined to be the entire responsibility of the City.

A measure of tax relief on farm and residential properties was provided at a cost borne by the Provincial Government. Under the Manitoba Property Tax Credit program a resident homeowner qualified for a reduction of $325 on his 1987 property tax bill and, depending on his taxable income, for an additional credit of up to $200 claimable on the homeowner's 1987 income tax return. Other homeowners and residential tenants obtained their entire credit to a maximum of $525 via the income tax return. (The maximum property tax credit for senior citizens was $625.)

In addition, the Manitoba Pensioners' School Tax Assistance Program provided up to $175 in extra assistance to Manitoba pensioner homeowners whose school taxes exceeded $162.50

With respect to the application of tax revenues, the City has adopted the policy of fully reserving all tax arrears.

The City of Winnipeg
Tax Levies—1987

	1987	1986
REALTY		
Mill Rates (Including Provisions of $215.109.296 for Schools) *	$460.632.063	$436.415.529
Local Improvements, etc.	17.670.341	17.443.579
	478.302.404	453.859.108
BUSINESS	31.132.821	29.113.167
	$509.435.225	$482.972.275

Tax Collections and Arrears

	1987	1986
TAXES TO COLLECT		
Current Levy (*1 & 2)	$509.435.225	$482.972.275
Arrears (Including Net Additions)	37.420.768	37.483.176
Penalties	2.775.007	2.932.531
	549.631.000	523.387.982
COLLECTIONS		
Current Levy (*1 & 2)	488.246.904	462.770.098
Arrears	27.950.838	24.898.855
	516.197.742	487.668.953
TOTAL COLLECTIONS AS A PERCENTAGE OF THE CURRENT LEVY	101.33%	100.97%
ARREARS DECEMBER 31st	33.433.258	35.719.029
Less Allowance	33.433.258	35.719.029
	$ NIL	$ NIL

* Includes the following amounts paid direct to the City by the Provincial Government for property tax deductions allowed to certain taxpayers.

1. Property Tax Credit	$ 43.710.563	$ 42.725.887
2. School Tax Assistance	5.074.467	5.257.385
	$ 48.785.030	$ 47.983.272

Grants in Lieu of Taxes

	1987	1986
Province of Manitoba	$ 34.001.343	$ 33.284.448
Government of Canada	16.905.774	13.868.319
City of Winnipeg Utilities	4.731.801	4.767.534
Housing Authority	836.874	680.070
Civic Centre Car Park	108.884	119.147
Centennial Library Parking Garage	183.182	188.182
Winnipeg Square Parking Garage	329.897	316.163
Winnipeg Enterprises Corporation	8.000	8.000
Other	67.554	66.593
	$ 57.173.309**	$ 53.298.456**
** Includes School Levies	$ 26.110.026	$ 23.214.493

The City of Winnipeg
Realty Tax Mill Rates—1987/1986

SCHOOL DIVISION	Residential 1	Residential 2	Residential 3	Farm	Statutory	Institutional Residential	Institutional Other	Golf	Other
No. 1 — Winnipeg									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	26.046	43.095	34.139	10.017	147.309	33.296	49.533	16.696	44.776
Total 1987	56.405	93.570	74.068	22.825	274.795	75.268	91.505	31.931	82.261
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	100.810	100.810	100.810	100.810	139.740	139.740	139.740	139.740	139.740
Total 1986	222.732	222.732	222.732	222.732	261.662	261.662	261.662	261.662	261.662
No. 2 - St. James-Assiniboia									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	21.900	34.993	27.690	8.424	135.564	27.017	43.254	16.623	38.570
Total 1987	52.259	85.468	67.619	21.232	263.050	68.989	85.226	31.858	76.055
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	87.130	87.130	87.130	87.130	126.060	126.060	126.060	126.060	126.060
Total 1986	209.052	209.052	209.052	209.052	247.982	247.982	247.982	247.982	247.982
No. 3 - Assiniboine South									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	23.065	36.974	32.592	10.257	152.976	30.236	46.473	19.242	42.160
Total 1987	53.424	87.449	72.521	23.065	280.462	72.208	88.445	34.477	79.645
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	94.990	94.990	94.990	94.990	133.920	133.920	133.920	133.920	133.920
Total 1986	216.912	216.912	216.912	216.912	255.842	255.842	255.842	255.842	255.842
No. 4 - St. Boniface									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	23.490	38.978	27.075	8.296	139.095	29.005	45.242	14.455	39.355
Total 1987	53.849	89.453	67.004	21.104	266.581	70.977	87.214	29.690	76.840
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	95.660	95.660	95.660	95.660	134.590	134.590	134.590	134.590	134.590
Total 1986	217.582	217.582	217.582	217.582	256.512	256.512	256.512	256.512	256.512
No. 5 — Fort Garry									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.608	36.933	31.486	11.759	137.122	29.523	45.760	17.857	41.160
Total 1987	52.967	87.408	71.415	24.567	264.608	71.495	87.732	33.092	78.645
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	93.260	93.260	93.260	93.260	132.190	132.190	132.190	132.190	132.190
Total 1986	215.182	215.182	215.182	215.182	254.112	254.112	254.112	254.112	254.112
No. 6 - St. Vital									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.957	40.909	29.828	11.590	148.716	27.952	44.189	16.696	39.804
Total 1987	53.316	91.384	69.757	24.398	276.202	69.924	86.161	31.931	77.289
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	95.560	95.560	95.560	95.560	134.490	134.490	134.490	134.490	134.490
Total 1986	217.482	217.482	217.482	217.482	256.412	256.412	256.412	256.412	256.412

The City of Winnipeg
Realty Tax Mill Rates—1987/1986

SCHOOL DIVISION	Residential 1	Residential 2	Residential 3	Farm	Statutory	Institutional Residential	Institutional Other	Golf	Other
No. 8 - Norwood									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.741	38.233	31.909	9.935	139.489	31.878	48.115	16.696	41.366
Total 1987	53.100	88.708	71.838	22.743	266.975	73.850	90.087	31.931	78.851
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	95.270	95.270	95.270	95.270	134.200	134.200	134.200	134.200	134.200
Total 1986	217.192	217.192	217.192	217.192	256.122	256.122	256.122	256.122	256.122
No. 9 - River East									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	23.597	39.449	28.389	10.436	146.569	26.819	43.056	18.115	42.077
Total 1987	53.956	89.924	68.318	23.244	274.055	68.791	85.028	33.350	79.562
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	93.950	93.950	93.950	93.950	132.880	132.880	132.880	132.880	132.880
Total 1986	215.872	215.872	215.872	215.872	254.802	254.802	254.802	254.802	254.802
No. 10 — Seven Oaks									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	25.305	38.359	26.165	9.873	151.271	26.283	42.520	16.696	40.293
Total 1987	55.664	88.834	66.094	22.681	278.757	68.255	84.492	31.931	77.778
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	97.700	97.700	97.700	97.700	136.630	136.630	136.630	136.630	136.630
Total 1986	219.622	219.622	219.622	219.622	258.552	258.552	258.552	258.552	258.552
No. 12 - Transcona-Springfield									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.789	37.724	26.409	10.186	140.943	25.796	42.033	13.886	39.409
Total 1987	53.148	88.199	66.338	22.994	268.429	67.768	84.005	29.121	76.894
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	92.700	92.700	92.700	92.700	131.630	131.630	131.630	131.630	131.630
Total 1986	214.622	214.622	214.622	214.622	253.552	253.552	253.552	253.552	253.552
No. 14 - Seine River									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	24.531	30.990	27.441	8.963	150.075	32.875	49.112	16.696	41.780
Total 1987	54.890	81.465	67.370	21.771	277.561	74.847	91.084	31.931	79.265
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	101.020	101.020	101.020	101.020	139.950	139.950	139.950	139.950	139.950
Total 1986	222.942	222.942	222.942	222.942	261.872	261.872	261.872	261.872	261.872
No. 21 - Interlake									
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	15.424	22.112	18.563	9.287	140.099	17.110	33.347	16.696	31.536
Total 1987	45.783	72.587	58.492	22.095	267.585	59.082	75.319	31.931	69.021
Municipal	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922	121.922
Schools	92.350	92.350	92.350	92.350	131.280	131.280	131.280	131.280	131.280
Total 1986	214.272	214.272	214.272	214.272	253.202	253.202	253.202	253.202	253.202

SCHOOL MILL RATES DETAILED ON PAGES 59 & 60.

The City of Winnipeg
Realty and Personal Property Assessments
Used in the Preparation of the 1987 Budget
(INCLUDES PROPERTIES SUBJECT TO GRANTS IN LIEU OF TAXES)

	1987			1986		
FOR SCHOOL PURPOSES	Farm & Res.	Other	Total	Farm & Res.	Other	Total
School Division						
No. 1—Winnipeg	$1,358,798,850	$1,112,916,980	$2,471,715,830	$ 416,625,230	$396,664,240	$ 813,289,470
2—St. James-Assiniboia	636,779,570	307,146,540	943,926,110	168,322,140	107,818,610	276,140,750
3—Assiniboine South	478,060,250	64,160,000	542,220,250	102,917,970	16,949,230	119,867,200
4—St. Boniface	293,145,580	119,018,750	412,164,330	70,483,370	31,349,350	101,832,720
5—Fort Garry	383,551,950	129,996,900	513,548,850	101,524,980	67,661,720	169,186,700
6—St. Vital	487,286,100	76,098,810	563,384,910	113,075,450	15,741,660	128,817,110
8—Norwood	79,547,280	52,592,040	132,139,320	22,482,440	15,660,040	38,142,480
9—River East	615,380,910	74,208,060	689,588,970	153,121,220	20,342,820	173,464,040
10—Seven Oaks	417,501,520	76,278,870	493,780,390	101,138,550	16,890,250	118,028,800
12—Transcona-Springfield	227,787,040	90,750,480	318,537,520	53,340,800	30,962,060	84,302,860
14—Seine River	56,173,830	3,439,320	59,613,150	11,748,580	1,222,460	12,971,040
21—Interlake	2,466,230	29,970	2,496,200	232,130	9,210	241,340
	$5,036,479,110	$2,106,636,720	$7,143,115,830	$1,315,012,860	$721,271,650	$2,036,284,510
FOR MUNICIPAL PURPOSES			$7,206,717,360			$2,066,527,630

The City of Winnipeg
1987 Taxable Assessments by Property Classifications
As at the Closing of the Realty Assessment Rolls

	Land	Buildings	Total	%	Number of Holdings
Residential—Improved	$1,562,726,210	$2,652,998,880	$4,215,725,090	59.00	148,025.5
Residential—Vacant	103,371,590	—	103,371,590	1.50	7,890.0
Apartments	104,568,160	420,897,500	525,465,660	7.40	1,559.0
Agricultural	147,234,630	13,161,750	160,396,380	2.20	1,510.0
Commercial & Industrial—Improved	670,363,200	1,324,506,440	1,994,869,640	27.90	11,956.0
Commercial & Industrial—Vacant	79,685,940	—	79,685,940	1.10	1,212.0
	2,667,949,730	4,411,564,570	7,079,514,300	99.10	172,152.5
Personal Property		63,601,530	63,601,530	0.90	112.0
	$2,667,949,730	$4,475,166,100	$7,143,115,830	100.0	172,264.5

1987 Exempt Assessments by Ownership Classifications

	Land	Buildings	Total	%	Number of Holdings
City of Winnipeg—General	$ 255,103,370	$ 167,744,100	$ 422,847,470	26.40	3,317.5
—Tax Properties	8,567,170	185,400	8,752,570	0.50	686.0
	263,670,540	167,929,500	431,600,040	26.90	4,003.5
Provincial Government	92,687,080	225,306,650	317,993,730	19.80	1,269.5
Federal Government	67,661,130	138,169,900	205,831,030	12.80	173.0
Public Schools	75,283,620	197,338,800	272,622,420	17.00	267.5
Universities	21,221,290	117,565,750	138,787,040	8.70	22.0
Private Schools & Colleges	4,971,120	13,709,850	18,680,970	1.20	33.5
Hospitals	6,634,500	96,120,350	102,754,850	6.40	49.5
Churches	25,432,890	53,165,000	78,597,890	4.90	385.0
National Transcontinental Railway	9,277,220	11,885,850	21,163,070	1.30	18.0
Canadian Pacific Railway	1,529,830	1,087,940	2,617,770	0.20	58.5
Miscellaneous	2,658,660	9,955,050	12,613,710	0.79	42.0
	571,027,880	1,032,234,640	1,603,262,520	99.99	6,322.0
Personal Property	—	193,000	193,000	.01	18.0
	$571,027,880	$1,032,427,640	$1,603,455,520	100.0	6,340.0

NOTE: Properties acquired through tax sale procedure and remaining unsold are assessed at $8,752,570.

The City of Winnipeg
Schools Requirement—1987

TOTAL DEMAND

	1987	1986
PROVINCIAL EDUCATION SUPPORT PROGRAM LEVY		
Farm and Residential	$ 57,203,790	$ 56,257,036
Other Property	64,311,905	58,932,213
TOTAL LEVY	121,515,695	115,189,249
SPECIAL LEVIES (BY SCHOOL DIVISION)		
Winnipeg No. 1	50,223,000	47,197,700
St. James-Assiniboia No. 2	13,362,005	12,246,888
Assiniboine South No. 3	7,310,734	6,257,853
St. Boniface No. 4	5,785,992	5,384,926
Fort Garry No. 5	9,485,660	8,540,436
St. Vital No. 6	7,949,563	6,799,593
Norwood No. 8	2,001,911	2,001,911
River East No. 9	10,345,931	8,876,201
Seven Oaks No. 10	7,585,293	6,481,794
Transcona-Springfield No. 12	4,573,277	4,208,403
Seine River No. 14	855,598	755,376
Interlake No. 21	12,815	11,963
TOTAL SPECIAL LEVIES	119,491,779	108,763,044
TOTAL DEMAND	$241,007,474	$223,952,293

REVENUE SOURCES

Realty Taxes	$215,109,296	$200,737,800
Grants in Lieu of Taxes	25,898,178	23,214,493
	$241,007,474	$223,952,293

The City of Winnipeg
School Mill Rates—1987/1986

SCHOOL DIVISION	Residential 1	Residential 2	Residential 3	Farm	Statutory	Institutional Residential	Institutional Other	Golf	Other
No. 1 — Winnipeg									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	15.827	26.106	20.699	5.706	60.306	21.309	21.309	6.299	19.194
Total 1987	26.046	43.095	34.139	10.017	147.309	33.296	49.533	16.696	44.776
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	58.030	58.030	58.030	58.030	58.030	58.030	58.030	58.030	58.030
Total 1986	100.810	100.810	100.810	100.810	139.740	139.740	139.740	139.740	139.740
No. 2 - St. James-Assiniboia									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	11.681	18.004	14.250	4.113	48.561	15.030	15.030	6.226	12.988
Total 1987	21.900	34.993	27.690	8.424	135.564	27.017	43.254	16.623	38.570
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	44.350	44.350	44.350	44.350	44.350	44.350	44.350	44.350	44.350
Total 1986	87.130	87.130	87.130	87.130	126.060	126.060	126.060	126.060	126.060
No. 3 - Assiniboine South									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.846	19.985	19.152	5.946	65.973	18.249	18.249	8.845	16.578
Total 1987	23.065	36.974	32.592	10.257	152.976	30.236	46.473	19.242	42.160
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	52.210	52.210	52.210	52.210	52.210	52.210	52.210	52.210	52.210
Total 1986	94.990	94.990	94.990	94.990	133.920	133.920	133.920	133.920	133.920
No. 4 - St. Boniface									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	13.271	21.989	13.635	3.985	52.092	17.018	17.018	4.058	13.773
Total 1987	23.490	38.978	27.075	8.296	139.095	29.005	45.242	14.455	39.355
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	52.880	52.880	52.880	52.880	52.880	52.880	52.880	52.880	52.880
Total 1986	95.660	95.660	95.660	95.660	134.590	134.590	134.590	134.590	134.590
No. 5 — Fort Garry									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.389	19.944	18.046	7.448	50.119	17.536	17.536	7.460	15.578
Total 1987	22.608	36.933	31.486	11.759	137.122	29.523	45.760	17.857	41.160
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	50.480	50.480	50.480	50.480	50.480	50.480	50.480	50.480	50.480
Total 1986	93.260	93.260	93.260	93.260	132.190	132.190	132.190	132.190	132.190
No. 6 - St. Vital									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.738	23.920	16.388	7.279	61.713	15.965	15.965	6.299	14.222
Total 1987	22.957	40.909	29.828	11.590	148.716	27.952	44.189	16.696	39.804
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	52.780	52.780	52.780	52.780	52.780	52.780	52.780	52.780	52.780
Total 1986	95.560	95.560	95.560	95.560	134.490	134.490	134.490	134.490	134.490

The City of Winnipeg
School Mill Rates—1987/1986

SCHOOL DIVISION	Residential 1	Residential 2	Residential 3	Farm	Statutory	Institutional Residential	Institutional Other	Golf	Other
No. 8 - Norwood									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.522	21.244	18.469	5.624	52.486	19.891	19.891	6.299	15.784
Total 1987	22.741	38.233	31.909	9.935	139.489	31.878	48.115	16.696	41.366
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	52.490	52.490	52.490	52.490	52.490	52.490	52.490	52.490	52.490
Total 1986	95.270	95.270	95.270	95.270	134.200	134.200	134.200	134.200	134.200
No. 9 - River East									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	13.378	22.460	14.949	6.125	59.566	14.832	14.832	7.718	16.495
Total 1987	23.597	39.449	28.389	10.436	146.569	26.819	43.056	18.115	42.077
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	51.170	51.170	51.170	51.170	51.170	51.170	51.170	51.170	51.170
Total 1986	93.950	93.950	93.950	93.950	132.880	132.880	132.880	132.880	132.880
No. 10 — Seven Oaks									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	15.086	21.370	12.725	5.562	64.268	14.296	14.296	6.299	14.711
Total 1987	25.305	38.359	26.165	9.873	151.271	26.283	42.520	16.696	40.293
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	54.920	54.920	54.920	54.920	54.920	54.920	54.920	54.920	54.920
Total 1986	97.700	97.700	97.700	97.700	136.630	136.630	136.630	136.630	136.630
No. 12 - Transcona-Springfield									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.570	20.735	12.969	5.875	53.940	13.809	13.809	3.489	13.827
Total 1987	22.789	37.724	26.409	10.186	140.943	25.796	42.033	13.886	39.409
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	49.920	49.920	49.920	49.920	49.920	49.920	49.920	49.920	49.920
Total 1986	92.700	92.700	92.700	92.700	131.630	131.630	131.630	131.630	131.630
No. 14 - Seine River									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	14.312	14.001	14.001	4.652	63.072	20.888	20.888	6.299	16.198
Total 1987	24.531	30.990	27.441	8.963	150.075	32.875	49.112	16.696	41.780
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	58.240	58.240	58.240	58.240	58.240	58.240	58.240	58.240	58.240
Total 1986	101.020	101.020	101.020	101.020	139.950	139.950	139.950	139.950	139.950
No. 21 - Interlake									
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	5.205	5.123	5.123	4.976	53.096	5.123	5.123	6.299	5.954
Total 1987	15.424	22.112	18.563	9.287	140.099	17.110	33.347	16.696	31.536
Prov. Support Levy	42.780	42.780	42.780	42.780	81.710	81.710	81.710	81.710	81.710
Special Levy	49.570	49.570	49.570	49.570	49.570	49.570	49.570	49.570	49.570
Total 1986	92.350	92.350	92.350	92.350	131.280	131.280	131.280	131.280	131.280

Equipment and Material Services Fund

Equipment and Material Services

Historical Data

The Equipment and Material Services Branch was initiated by the former City of Winnipeg, which operated the Engineering Department consisting of Stores, Tools and Supplies, Equipment, Shops and Primary Materials. The Branch was carried on with the establishment of the Operations Department in 1974.

The Stores and Tools Section stores all materials, small tools and supplies required by the six public works districts and the shops section. Other City departments use the stores. The Stores Section is financed through a charge for services levied on goods sold. The Tools and Supplies Section provides service to the six public works districts and Construction Branch only, and financed through an overhead percentage charged on labour.

The Equipment Section, with a fleet of 1,100 units, ranging from ambulances to slip form pavers to air compressors, provides equipment to the Operations, Streets and Transportation, Civic Properties, Winnipeg Ambulance Service, Land Surveys and Real Estate Department and the License Branch of the Finance Department. The Equipment Section also administers the Equipment Replacement Reserve Fund and purchases equipment replacements (except for smaller pieces of equipment) for City departments.

The Equipment Operator Training program is also under the Equipment Section. This program provides for an operator training function for those departments that utilize City-owned equipment.

The Shops Section provides mechanical repair services for the Equipment Section fleet, a number of other departments and a fabrication, paint and carpentry function for the Equipment and Material Services Branch and other departments, such as minor maintenance work on City bridges for the Streets and Transportation Department.

The Primary Materials Section operates three gravel pits, a limestone quarry, asphalt concrete plant, portland cement concrete plant, and a broken pavement recycling operation, and the City weigh scale operations. The quarry at Stony Mountain was started in 1897, the gravel pit at Bird's Hill in 1882 and the asphalt and concrete plants were started in 1899 and 1924. The original plants have been replaced. The existing concrete and asphalt plants were constructed in 1953 and 1959; minor improvements have been made over the years. Products produced by the Primary Materials Section are sold to the Operations Department primarily, although other City departments and outside firms make purchases during the year.

Statistical Information

	1987	1986	1985
Limestone Products Sales (Tonnes)	26,348	40,664	32,586
Sand & Gravel Birds Hill (Tonnes)	13,735	8,549	16,662
Concrete Products Sales (m^3)	15,769	15,982	14,122
Aggregate Sales-Distribution (Tonnes)	91,111	90,512	99,828
Asphalt Mix Sales (Tonnes)	36,108	38,137	42,869
Sand & Gravel Pine Ridge (Tonnes)	162,077	233,651	221,854
Crushed Concrete Pavement Sales (Tonnes)	45,047	30,470	35,543
Weigh Scale Operation (Weigh-Ins)	19,693	18,411	—
Winter Abrasives Sales (Tonnes)	84,585	134,409	130,387

Financial Statements follow on Pages 63 to 66.

The City of Winnipeg
Equipment and Material Services
Balance Sheet

As at December 31, 1987

Assets

	1987	1986
CURRENT ASSETS		
Cash on Hand	$ 250	$ 175
Due from General Revenue Fund	1,817,577	1,733,520
Accounts Receivable		
Province of Manitoba	6,460	1,186
Government of Canada	3,268	1,022
Other	37,803	37,059
	47,531	39,267
Inventories (Note 2)	4,735,367	4,552,160
	6,600,725	6,325,122
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A))		
Land	149,840	149,840
Buildings and Plants	1,243,838	1,249,102
Vehicular Equipment	26,441,612	26,203,155
Other Equipment	2,796,182	2,630,562
Tools and Supplies	2,370,427	2,145,418
	33,001,899	32,378,077
Building Improvements	296,357	296,357
Less: Accumulated Depreciation	219,171	159,900
	77,186	136,457
	33,079,085	32,514,534
	$39,679,810	$38,839,656

Liabilities

CURRENT LIABILITIES		
Accounts Payable (Note 3)	$ 1,194,760	$ 930,785
Accrued Liabilities	167,083	147,714
Other Liabilities	322,705	300,717
	1,684,548	1,379,216
GRAVEL AND QUARRY PIT PROVISION FOR LAND REHABILITATION (Note 4)	362,503	357,868
	2,047,051	1,737,084

Equity

CAPITAL INVESTED IN PLANT	33,001,899	32,378,077
RETAINED EARNINGS	4,630,860	4,724,495
	37,632,759	37,102,572
	$39,679,810	$38,839,656

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment and Material Services
Statement of Revenue and Expenditure

For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
REVENUE			
Equipment Section	$15,679,578	$15,145,678	$15,704,406
Shops Section	10,220,912	9,984,910	11,090,334
Stores Section (Note 6)	1,228,150	1,164,414	1,329,969
Tools and Supplies Section	1,119,413	1,124,439	1,166,439
Primary Materials Section	7,118,639	7,479,279	8,197,673
TOTAL REVENUE	$35,366,692	$34,899,720	$37,488,821
EXPENDITURE (Notes 7,8 & 9)			
Equipment Section (Note 1(B))	$16,110,914	$15,437,770	$16,349,865
Shops Section	10,256,857	10,134,185	10,404,431
Stores Section	1,232,347	1,216,167	1,083,374
Tools and Supplies Section	1,213,481	1,143,109	1,099,809
Primary Materials Section	6,880,863	7,062,124	7,434,316
TOTAL EXPENDITURE	35,694,462	34,993,355	36,371,795
NET PROFIT (LOSS) FOR THE YEAR	$ (327,770)	$ (93,635)	$ 1,117,026

Statement of Retained Earnings

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$4,724,495	$3,607,469
ADD Net Profit (Loss) for the Year	(93,635)	1,117,026
Closing Balance	$4,630,860	$4,724,495

Statement of Changes in Financial Position

For the Year Ended December 31, 1987

	1987	1986
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit (Loss) for the Year	$ (93,635)	$1,117,026
ADD Expenses not Requiring Cash Outlay		
Depreciation	59,271	49,272
Gravel and Quarry Pit Rehabilitation Provision	12,161	20,946
Property, Plant and Equipment Financed from Operations	720,444	960,600
Total Funds from Current Operations	698,241	2,147,844
Contribution from General Revenue Fund	40,890	44,078
Contribution from Equipment Replacement Reserve	1,568,059	3,085,921
	2,307,190	5,277,843
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	2,329,393	4,162,388
Land Rehabilitation	7,526	2,192
	2,336,919	4,164,580
Increase (Decrease) in Working Capital	$ (29,729)	$1,113,263

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment and Material Services
Notes to the Financial Statements

December 31, 1987

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

a) Land, Buildings and Plants, and Other Equipment are recorded at estimated values in accordance with available records when actual costs can not be determined and are considered completely depreciated.

b) Vehicular Equipment is recorded at cost. The Equipment Replacement Reserve Fund finances equipment requirements and records all purchases as an expense.

c) Tools and Supplies are recorded at cost.

B. REPLACEMENT PROVISION ON VEHICULAR EQUIPMENT

A replacement charge is paid to the Equipment Replacement Reserve by the Equipment Section based on the estimated cost of replacement. This expenditure is described as depreciation in the accounts of the Equipment Section.

2. **Inventories**

These are valued at cost based on the following methods:

Shops	$ 48,392	Average Cost
Stores	$3,956,825	Average Cost
Primary Material Services	$ 730,150	Retail

3. **Accounts Payable**

Commitments totalling $333,710 (1986 - $436,183) were recorded in accounts for goods and services which had not been received by the year end.

4. **Gravel and Quarry Pit Provision for Land Rehabilitation**

The City-owned quarry and gravel pits contribute 7¢ and 18¢ per tonne respectively as Provision for Land Rehabilitation. The provision rate was established by Urwick Currie in their review of the Primary Materials Section.

5. **Contingent Liability**

Under the sick pay credit plan of the Equipment & Material Services Branch, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

6. **Revenue**

a) Stores sales and cost of sales are not reflected in the statements. Revenue for Stores is the up-charge on sales to cover administration.

b) The majority of revenue generated by the Equipment and Material Services Funds are from City of Winnipeg Departments. Revenue from sources external to the City of Winnipeg amounted to $154,934 (1986 - $120,550)

7. **General Government Charges**

This fund is charged with the estimated share of the City's General Government Expenditures applicable to the Equipment and Material Services Branch. In 1987 this amounted to $334,229 (1986 - $319, 678).

8. **Taxes**

The Equipment and Material Services Fund is charged with the full taxes paid to outside municipalities and to The City of Winnipeg General Revenue Fund. Taxes are assessed on the property as if it were privately owned.

9. **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Equipment and Material Services portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1987		Annual Payment	Term
Employee Benefits	$ 949,700	(Pension Improvements)	$ 124,975	to 2000
Employee Benefits	$ 10,900		4,325	to 1990
	$ 960,600		$ 129,300	

An aerial view of the municipally-owned townsite and hydro-electric generating station at Pointe du Bois Manitoba, from where electricity was first produced for the citizens of Winnipeg on October 16, 1911. The plant still plays a major role in supplying electricity to the City of Winnipeg today and is expected to do so for years to come.

City Owned Utilities

Hydro Electric System

Historical Data

A referendum in 1906 authorized the City to undertake the supply of electricity. A lease was secured for the Pointe du Bois power site on the Winnipeg River, which is renewable every twenty years in perpetuity. The lease has been extended to December 31, 1991. Power was first delivered from this plant in 1911.

The growing power requirements of the City were met by the construction of the Slave Falls plant which first delivered power in 1931. This power site was initially leased to the City for a term of 50 years, effective January 1932, with provision for the purchase of the plant by the Government at its option at any time after 1962 on a predetermined compensation basis; the lease was further extended for 40 years commencing January 1982.

To meet the rapidly growing power needs, a Steam Turbine Generating Plant was constructed with 11,000 kW capacity in 1924, which was extended to 51,000 kW capacity in 1954.

On November 1, 1955, an agreement was entered into between the City, the Manitoba Hydro Electric Board and the Manitoba Power Commission whereby the City became the sole distributor of electricity inside the City limits and the City relinquished to the Manitoba Power Commission all its distribution properties outside the City limits. By this agreement the Manitoba Hydro Electric Board undertook to provide and to sell to the City (and the City agreed to purchase) the power required in excess of the City's generating capacity until 1962. In 1959 this power sale and purchase agreement was extended to March 31, 1964. The Act governing the amalgamation of the Manitoba Power Commission and the Manitoba Hydro Electric Board which became effective April 1, 1961, protects the City's position by requiring the new Manitoba Hydro Electric Board to observe unchanged all the conditions of this power sale agreement. Early in 1963 an extension of the Power Agreement was negotiated for a further ten years to March 31, 1974, incorporating the same basic principles contained in the existing agreement.

The agreement was extended in 1973, 1976 and 1981.

The System has now four sources of electricity supply

1. Pointe du Bois—This plant has an installed capacity of 105,000 H.P., and the capital cost to date including four transmission circuits, tramway, bridges, etc., totals $11,073,731. The plant operates under a normal head of forty-six feet. Its equipment consists of sixteen horizontal water turbines. Power is delivered to the City by means of four 66,000 volt transmission circuits carried on two separate sets of towers.
2. Slave Falls—This plant has an installed capacity of 96,000 H.P. in eight vertical water wheel units operating under a normal head of 30 feet. The electrical output is transmitted to Winnipeg over two 132,000 volt transmission circuits on one set of steel towers. The capital cost to date on power plant, transmission lines and tramway is $12,582,711.
3. Steam Turbine Plant—The capacity of this plant is 72,700 shaft horsepower consisting of one 25,000 kW, one 15,000 kW, two 5,000 kW condensing steam turbines and one 1,000 kW non-condensing steam turbine. It is operated in conjunction with the Steam Heating System from which steam for the three smallest units is purchased. The capital cost to date on this plant totals $6,937,917.

   The capacity of this plant is available for use of the combined City and the Manitoba Hydro Electric Board System. Manitoba Hydro reimburses the City for its share of the costs of this Station.
4. The Manitoba Hydro Electric Board—The City has available to it the same proportion of the residual hydraulic capacity of the Board as its peak requirements are to the sum of the peak requirements of the City and of Manitoba Hydro. The unit rate for this power to the City and the distributing facilities of the Board is the same, and is sufficient to return to the Board the costs of the generating, transmitting and terminal facilities.

Expenditures include full municipal taxes and a reasonable share of the City's general overhead expenses. In addition, this utility has contributed $130.5 million during the years 1938 to 1987 towards reduction of general taxation. Of the 1987 net profit amounting to $14.5 million, $8.5 million was transferred during 1987 and $6.0 million will be transferred during 1987. Depreciation is charged in accordance with the orders of the Manitoba Municipal and Public Utility Board. The Board under Order No. 212/66, effective January 1, 1966, authorized the System to change its depreciation rates and accounting procedures.

Following unification of January 1, 1972, the total area of the new City continued to be serviced by two power utilities on the same basis as that prior to unification, i.e., former Winnipeg by the City's utility at one schedule of rates and all other former municipalities by the Manitoba Hydro at another. Equalization of rates, a requirement of The City of Winnipeg Act, was effected on August 1, 1973.

Statistical Information

	1987	1986	1985
Electric Energy Generated (net)	774,089,880 kW.h	1,105,907,880 kW.h	1,080,306,220 kW.h
Electric Energy Purchased	1,569,737,758 kW.h	1,246,787,662 kW.h	1,197,685,905 kW.h
Average Domestic Consumption	8,601 kW.h	9,015 kW.h	8,945 kW.h
Number of Services	112,638	113,205	114,597

The City of Winnipeg
Hydro Electric System
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
CURRENT ASSETS		
Cash on Hand	$ 85.378	$ 283.311
Accounts Receivable		
Province of Manitoba	168.890	348.422
Government of Canada	2.510	742
Sinking Fund Trustees	607.220	—
Other	8.970.444	8.178.179
	9.749.064	8.527.343
Less Allowance for Doubtful Accounts	148.664	189.451
	9.600.400	8.337.892
Inventories at cost	3.564.850	3.452.677
Prepaid Expenses	59.756	23.902
	13.310.384	12.097.782
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 5(a))	30.873.108	28.205.930
FIXED ASSETS		
Property, Plant and Equipment, at cost (Note 1(A))	138.166.017	133.181.705
Work in Progress	7.918.613	2.359.496
	146.084.630	135.541.201
Less Accumulated Depreciation (Note 1(B))	69.194.882	67.263.701
	76.889.748	68.277.500
DEFERRED FOREIGN EXCHANGE (Note 5(b))	1.500.209	2.803.567
	$122.573.449	$111.384.779

Liabilities

CURRENT LIABILITIES		
Due to General Revenue Fund	$ 6.248.985	$ 10.375.109
Accounts Payable and Accrued Liabilities (Note 6)	7.116.145	5.969.247
Accrued Debenture Interest	2.184.027	1.266.559
Customer Deposits and Other	1.023.901	810.051
	16.573.058	18.420.966
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	67.964.325	56.001.325
Provision for Foreign Exchange at Maturity (Note 1(C) & 5(b))	4.121.194	5.223.661
	72.085.519	61.224.986
	88.658.577	79.645.952

Equity

CONTRIBUTIONS IN AID OF CONSTRUCTION	3.238.439	2.973.762
EXCESS DEPRECIATION (Note 4)	—	3.150.885
RETAINED EARNINGS	30.676.433	25.614.180
	33.914.872	31.738.827
	$122.573.449	$111.384.779

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
REVENUE			
Sale of Electricity (Note 10)	$86,980,000	$86,552,516	$79,449,537
Penalties	235,400	250,283	233,629
Commissions	1,194,400	1,162,106	1,162,848
Rentals	594,900	656,165	723,525
Interest Earned	250,000	276,730	135,254
Interest Capitalized	500,000	358,003	167,834
Interest on Sinking Fund	1,361,600	1,357,380	1,242,866
Financial Credits	165,000	165,000	—
Other	1,208,600	1,112,814	936,687
TOTAL REVENUE	$92,489,900	$91,890,997	$84,052,180
EXPENDITURE			
Operating Expenditure			
Electricity Purchased (Note 11)	$38,899,000	$38,895,000	$36,323,000
Administration (Note 12)	4,160,320	3,716,974	3,403,925
Generation	4,675,000	3,728,990	3,766,284
Tramway	243,000	231,159	250,909
Steam Turbine Plant	1,121,900	1,143,086	993,331
Transmission	721,900	664,509	674,442
Distribution	7,601,200	7,102,680	7,068,788
Commercial Services	5,437,200	5,317,884	5,137,690
Appliance Service, Stores and Garage	227,800	(8,138)	12,062
Taxes (Note 13)	1,425,000	1,519,992	1,364,535
Employee Benefits	3,069,847	3,007,394	2,977,054
Amortization of Pension Fund Deficits (Note 15)	424,104	424,104	424,104
Other	373,900	366,813	232,884
TOTAL OPERATING EXPENDITURE	68,380,171	66,110,447	62,629,008
Depreciation, Interest and Financial Expenditure			
Depreciation	2,600,000	2,609,817	2,566,535
Interest on Debentures	6,473,800	6,546,787	5,695,729
Financial Expenditure	951,300	1,047,919	839,312
	10,025,100	10,204,523	9,101,576
TOTAL EXPENDITURE	$78,405,271	$76,314,970	$71,730,584
PROFIT BEFORE GRANT	$14,084,629	$15,576,027	$12,321,596
GRANT TO STEAM HEATING SYSTEM	(953,214)	(1,056,009)	(926,627)
NET PROFIT FOR THE YEAR	$13,131,415	$14,520,018	$11,394,969

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Statement of Retained Earnings

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$25,614,180	$28,119,211
ADD Net Profit for the Year	14,520,018	11,394,969
Transfer of Excess Depreciation (Note 4)	3,042,235	—
	43,176,433	39,514,180
DEDUCT Contribution to General Revenue Fund (Note 14)	12,500,000	13,900,000
Closing Balance	$30,676,433	$25,614,180

Statement of Changes in Financial Position

For the Year Ended December 31, 1987

	1987	1986
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit for the Year	$14,520,018	$11,394,969
ADD Expenses not requiring Cash Outlay		
Depreciation	2,609,817	2,566,535
Amortization of Foreign Exchange	200,890	208,741
Loss on Disposal of Fixed Assets	50,375	159,887
DEDUCT Credits to Operations not involving Incoming Funds		
Amortization of Excess Depreciation	(108,650)	(108,700)
Interest on Sinking Fund	(1,357,380)	(1,242,866)
Total Funds from Current Operations	15,915,070	12,978,566
Debenture Issue	12,000,000	—
Payments from Sinking Fund Trustees		
Matured Debt	—	1,000,000
Foreign Exchange	607,220	—
Proceeds from Sale of Property and Plant	35,034	18,188
Contributions in Aid of Construction	264,677	341,305
Fixed Assets Returned to Stores	269,324	212,400
	29,091,325	14,550,459
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	11,271,826	4,635,439
Payments to Sinking Fund Trustees		
Actuarial Requirements	1,917,017	1,950,599
Foreign Exchange	—	9,333
Debt Retired	37,000	1,176,000
Contribution to General Revenue Fund	12,500,000	13,900,000
Removal Costs of Fixed Assets Disposals	304,973	381,310
	26,030,816	22,052,681
Increase (Decrease) in Working Capital	$ 3,060,509	($ 7,502,222)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Notes to the Financial Statements
December 31, 1987

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

Assets are recorded at cost in accordance with generally accepted accounting principles. Profits or losses on disposal of assets are recorded in the statement of income except for overhead and underground distribution assets on which profits and losses on disposal are netted in accumulated depreciation.

B. DEPRECIATION

Depreciation is recorded on a straight-line basis for all assets, except land, in accordance with generally accepted accounting principles.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rates prevailing at the balance sheet date, are fully provided for in the Long Term Debt section. (See Note 5(b)).

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenue and expenditure are accounted for on an accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**

a) Included in this asset are deposits for foreign exchange requirements of $2,866,733.

b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $1.9 million (1986 $2.1 million) would have accrued to the credit of the utility.

3. **Debenture Debt**

a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%.
The following table sets out those By-laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	3%
4025/85	1985	5 Years	3%
4510/87	1987	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$52,364,325
In United States Dollars	15,600,000
	$67,964,325

Debenture debt issued in United States dollars is recorded at par with the Canadian dollar.

4. **Excess Depreciation**

Commencing in 1966, this account was being amortized over a 50-year period through an annual credit to operations in accordance with the requirements of the Manitoba Public Utilities Board Order 114/68 in the amount of $108,650. On December 31 1987 approval was received to transfer the balance of $3,042,235 to Retained Earnings.

5. **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

b) Debenture debt payable in foreign currencies amounted to $15,600,000 as at December 31, 1987. The foreign exchange on this liability at the exchange rates prevailing at balance sheet date totalled $4,676,880. To date $2,620,985 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $555,686. The foreign exchange deficiency of $1,500,209 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

6. **Accounts Payable**

Commitments totalling $217,977(1986 - $419,196) were recorded in the accounts for goods and services which had not been received by the year end.

7. **Contingent Liability**

a) Under the sick pay credit plan of the Hydro Electric System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

b) The Hydro Electric System with the City are defendants in lawsuits as at December 31, 1987. At this time the liability is not determinable.

8. **Homeowners Insulation Program**

The City of Winnipeg (through the Hydro Electric System) acts as an agent for the Crown in lending monies to owners of eligible residential property to assist them in paying the cost of insulating or improving the insulation of residential property, and in collecting amounts due in payment of the principal and interest of any loan made under the Province's Homeowners Tax and Insulation Act. As at December 31, 1987, outstanding loans, including interest, amounted to $6,367,545.

9. **Public Utility Board Control**

The Hydro Electric System has not been subject to control over consumer rates by the Manitoba Public Utilities Board since 1970. Consumer rates are required to be equal to those charged by Manitoba Hydro within the City of Winnipeg. Manitoba Hydro rates are subject to approval by the Provincial Government.

10. **Consumer Rates**

A consumer rate increase went into effect on April 1, 1987. A further rate increase went into effect April 1, 1988.

11. **Electricity Purchased**

Under an agreement with Manitoba Hydro, the Hydro Electric System agrees to purchase the power required in excess of the System's generating capacity. The agreement expired November 30, 1984. On October 15, 1986 City Council approved the terms and conditions for a new agreement which will be in effect until March 31, 1990 and is retroactive to December 1, 1984. This agreement was signed on March 8, 1988 and an adjustment will be made to comply with the terms and conditions of the agreement. The amount of the adjustment has not been determined to date.

12. **General Government Charges**

This expenditure includes the estimated share of the City's General Government expenditures applicable to the Hydro Electric System. In 1987 this amounted to $865,959 (1986 - $838,500).

13. **Taxes**

This expenditure includes full taxes paid to outside municipalities and to The City of Winnipeg General Revenue Fund. Taxes are assessed on property as if it were privately owned. The only exception to this is taxes on personal property (distribution lines on city streets) which are assessed in an amount fixed by The City of Winnipeg Act. This statutory assessed value is $1,200,000.

14. **Contribution to the City's General Budget**

The Hydro Electric System contributed $12,500,000 in 1987 and is committed to transfer $6,000,000 of the 1987 surplus to the City's 1988 General Revenue Fund.

15. **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Hydro Electric System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1987		Annual Payment	Term
Employee Benefits	$3,114,900	(Pension Improvements)	$409,918	to 2000
Employee Benefits	35,700		14,186	to 1990
	$3,150,600		$424,104	

Steam Heating System

Historical Data

The Steam Heating System commenced operation in 1924 concurrently with the Steam Turbine Plant installation of the Hydro Electric System. The two plants occupy sections of the same building on Amy Street. Steam for heating purposes is generated at a pressure of 240 lbs. per square inch in four pulverized coal boilers which utilize bituminous coal, and two travelling-grate stroker fired boilers which utilized either bituminous or lignite coal. The maximum short time output capacity of all six broilers is 600,000 lbs. of steam per hour. These boilers supply the steam requirements of the Steam Heating System and the 11,000 kilowatts of original steam turbine capacity in the standby plant.

A heat exchanger of 130,000 lbs. per hour capacity, installed in 1964, allows the Steam Heating System to make use of the more economical high pressure, high temperature boilers installed in 1951 to supply the 40,000 kilowatt extension to the standby plant.

When off-peak electrical energy is available from the hydro plants of Winnipeg Hydro or Manitoba Hydro, and when steam can be used in the Steam Heating System, three electric boilers with a combined output of 81,000 lbs. of steam per hour are also available. In 1987 these electric boilers produced 27.0% of the total steam requirements.

Two 14 inch diameter mains connect the steam plant with the mains network which supplies steam for heating purposes in the central commercial area of the City at a pressure of 50 to 70 lbs. per square inch.

The capital cost of the Steam Plant and the Steam Distribution System as at December 31, 1987 is $3,619,882. 185 customers are served.

The Steam Heating System also pays a due share of general overhead expenses and municipal taxes. It is noteworthy that since the commencement of operations in 1924, the System has used off-peak power from the Hydro Electric System to the value of over $5.8 million the total for 1987 being $642,192.

Statistical Information

	1987	1986	1985
Steam Sales to Customers	289,857,000 lbs	338,386,000 lbs	396,448,000 lbs
Mean Temperature, Heating Season	33.8°F	27.8°F	25.5°F
	1°C	-2.3°C	-3.6°C

The City of Winnipeg
Steam Heating System
Balance Sheet

As at December 31, 1987

Assets

	1987	1986
CURRENT ASSETS		
Cash on Hand	$ 100	$ 100
Accounts Receivable	686.897	762.090
Less Allowance for Doubtful Accounts	14.668	20.355
	672.229	741.735
Inventories at cost	251.778	211.566
Prepaid Expenses	73	41
	924.180	953.442
FIXED ASSETS		
Property, Plant and Equipment at cost	3.619.882	3.608.235
Work in Progress	40.846	18.143
	3.660.728	3.626.378
Less Accumulated Depreciation (Note 1(A))	3.408.098	3.398.180
	252.630	228.198
	$1.176.810	$1.181.640

Liabilities

CURRENT LIABILITIES		
Due to General Revenue Fund	$ 420.010	$ 490.778
Accounts Payable and Accrued Liabilities (Note 4)	668.206	577.114
Accrued Debenture Interest	273	532
Customer Deposits	27.525	34.420
	1.116.014	1.102.844
LONG TERM LIABILITIES		
Debenture Debt (Note 2)	19.000	37.000
	1.135.014	1.139.844

Equity

RETAINED EARNINGS	41.796	41.796
	$1.176.810	$1.181.640

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
REVENUE			
Steam Sales—Commercial (Note 6)	$3,928,000	$3,105,280	$3,256,092
Hydro Standby Service (Note 1(B))	60,000	60,000	60,000
Equipment Rentals	5,700	5,528	5,679
Miscellaneous Earnings	9,700	11,359	8,302
Provincial Support Grant	34,000	32,574	22,900
TOTAL REVENUE	$4,037,400	$3,214,741	$3,352,973
EXPENDITURE			
Operating Expenditure			
Production	$3,796,000	$3,228,587	$3,159,875
Distribution	523,000	466,398	526,354
Commercial	19,600	18,614	18,930
Administration and General (Note 7)	108,900	110,494	94,177
Taxes (Note 8)	206,500	165,674	190,309
Employee Benefits	239,782	177,763	193,323
Amortization of Pension Fund Deficits (Note 9)	31,032	31,032	31,032
TOTAL OPERATING EXPENDITURE	4,924,814	4,198,562	4,214,000
Depreciation, Interest and Financial Expenditure			
Depreciation	18,000	18,000	17,000
Interest on Debentures	1,900	1,869	2,861
Financial Expenditure	45,900	52,319	45,739
TOTAL EXPENDITURE	$4,990,614	$4,270,750	$4,279,600
LOSS BEFORE GRANT	$ 953,214	$1,056,009	$ 926,627
GRANT FROM HYDRO ELECTRIC SYSTEM	953,214	1,056,009	926,627
NET PROFIT (LOSS) FOR THE YEAR	$ —	$ —	$ —

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Statement of Retained Earnings
For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$ 41.796	$ 41.796
Closing Balance	$ 41.796	$ 41.796

Statement of Changes in Financial Position
For the Year Ended December 31, 1987

	1987	1986
FUNDS WERE DERIVED FROM		
Current Operations		
Net Loss for the Year	$1.056.009	$926.627
Grant from Winnipeg Hydro	1.056.009	926.627
	—	—
Expenses not requiring Cash Outlay		
Depreciation	18.000	17.000
Total Funds from Current Operations	18.000	17.000
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	42.431	3.142
Debt Retired	18.000	17.000
	60.431	20.142
Decrease in Working Capital	$ 42.431	$ 3.142

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Notes to the Financial Statements

December 31, 1987

1. **Significant Accounting Policies**

   A. DEPRECIATION

   Depreciation is charged on the basis of serial debt amortization. The effect of this policy is as follows:

   a) All Capital assets including the cost of land, are subject to depreciation after they are funded.

   b) Assets are not depreciated until they are funded which may materially affect the depreciation expenditure and the resulting profit or loss, if funding is delayed more than one year.

   c) Capital assets in the amount of $233,630 remain unfunded and are not being depreciated at the year end.

   d) The adequacy or inadequacy of the depreciation being provided cannot be determined because the useful life of the System is currently being studied. (See Note 3)

   B. HYDRO STANDBY SERVICE

   The revenue item recorded at $60,000 is the reimbursement to the Steam Heating System for the cost of maintenance of equipment used jointly by the steam heating plant and the steam turbine plant of the Hydro Electric System.

   C. ACCRUAL BASIS OF ACCOUNTING

   Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenues and expenditures are accounted for on the accrual basis.

2. **Debenture Debt**

   All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

3. **Estimated Useful Life of the Steam Heating System**

   City Council on September 9, 1987 adopted a recommendation to cease the commercial operation of the Steam Heating System as of June 15, 1990. Studies are underway on the future of the Steam Turbine Plant and methods of heating City owned buildings. The environmental license has been extended until September 1, 1990.

4. **Accounts Payable**

   Commitments totalling $20,093 (1986 - $26,643) were recorded in the accounts for goods and services which had not been received by the year end.

5. **Contingent Liability**

   Under the sick pay credit plan of the Steam Heating System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

6. **Consumer Rates**

   Consumer rates were increased 20% March 1, 1987 as authorized by Council.

7. **General Government Charges**

   This expenditure includes the estimated share of the City's General Government expenditure applicable to the Steam Heating System. In 1987 this amounted to $48,961 (1986 - $48,640).

8. **Taxes**

   Taxes are calculated on the Steam Heating System assets as if they were privately owned. In addition to this, a tax of 3% of gross sales is charged to the Utility for the use of City streets for steam mains.

9. **Amortization of Pension Fund Deficit**

   City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Steam Heating System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1987		Annual Payment	Term
Employee Benefits	$227,900	(Pension Improvements)	$29,994	to 2000
Employee Benefits	2,600		1,038	to 1990
	$230,500		$31,032	

Transit System

Historical Data

The first step toward public transportation in Winnipeg was taken on May 27, 1882 with the incorporation of the Winnipeg Street Railway Company. With a franchise from the City of Winnipeg, the first regular service started on October 21, 1882, using horse cars during the summer and sleighs during the winter.

On January 28, 1891 with the consent of City Council, the Winnipeg Street Railway Company operated the first electric street car on River Avenue, the line being extended to River Park in July.

After a franchise battle, the City Council on February 1, 1892 passed By-law No. 543 giving a new company, Winnipeg Electric Street Railway Company, an exclusive franchise to operate electric street cars in Winnipeg. For two years there were two sets of tracks on Main Street, both horse and electric cars competing. Fares dropped to a low of 2 cents. Shortly after, the Electric Company bought out the Winnipeg Street Railway and basic fares became 5 cents.

For the next 14 years service was extended farther and farther, reaching Selkirk, Stonewall, Headingly and St. Norbert.

In 1904 the Winnipeg Electric Street Railway Company and the Winnipeg General Power Company merged and became Winnipeg Electric Railway Company. In 1906 the Company first operated the Pinawa Plant on the Winnipeg River - the first hydro-electric power plant in Manitoba.

Sunday service was initiated in 1906.

From 1914 to 1918 street cars had competition from "Jitneys" — autos which charged 5 cents per person and operated mostly in the rush hours on heavy traffic routes - until the City passed a by-law setting a 25 cent minimum fare per person.

The first motor buses were operated on Westminster Avenue in 1918.

One-man cars were first used in regular service in 1923, and replaced two-man cars on many routes.

Trolley buses were first operated in 1938.

The peak ridership was reached in 1946 when 105,000,000 passengers rode the street cars and buses.

On October 28, 1952 the Manitoba Hydro-Electric Board, as agent for the Province of Manitoba, offered to purchase the outstanding shares of the Company (now Winnipeg Electric Company).

On January 16, 1953 the Greater Winnipeg Transit Company was incorporated and took over the transit assets and liabilities.

On April 18th, 1953 at the request of the City of Winnipeg and other area municipalities, the Greater Winnipeg Transit Commission was incorporated and authorized to purchase the shares and debentures of the Transit Company.

On May 29, 1953 the Commission purchased the shares and debentures of the Transit Company and, on November 1, 1953, the assets and liabilities of the Transit Company were vested in The Greater Winnipeg Transit Commission.

On September 19, 1955 the street cars made their last run, giving way to the modern diesel, gas and trolley buses.

With the passage of The Metropolitan Winnipeg Act in 1960, effective January 1, 1961, the Metropolitan Corporation of Greater Winnipeg was given the exclusive right to operate a local passenger transportation service within Metropolitan Winnipeg.

On October 30, 1970 the trolley buses were discontinued thus making the Public Transportation fleet a total diesel operation.

On January 1, 1972 under the provisions of Section 662(1) of The City of Winnipeg Act, the Metropolitan Corporation of Greater Winnipeg, which had been responsible for providing public transportation in the Metropolitan area, from January 1, 1961, to December 31, 1971, was dissolved and all the duties, rights, and liabilities of the Transit System became the responsibility of the new City of Winnipeg.

Statistical Information

	1987	1986	1985
Basic Adult Fare	.90 Exact Fare	.85 Exact Fare	.80 Exact Fare
Revenue Passengers Carried	60,524,991	61,365,888	58,787,973
Bus Hours Operated	1,382,398	1,374,680	1,390,404
Bus KM Operated	26,066,485	25,802,634	26,012,201
Revenue Vehicles Operated	548	548	548

The City of Winnipeg
Transit System
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
CURRENT ASSETS		
Cash on Hand	$ 166,461	$ 239,316
Accounts Receivable		
Province of Manitoba	436,651	400,000
Government of Canada	16	56,937
Sinking Fund Trustees	414,676	37,562
Other	73,096	144,539
	924,439	639,038
Inventories of Maintenance Parts, at cost or realizable value	1,951,190	2,026,478
Prepaid Expenses	5,037	—
	3,047,127	2,904,832
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4(a))	9,597,715	8,998,690
FIXED ASSETS		
Property, Plant and Equipment, at cost (Note 1(A))	37,513,897	37,513,897
Work in Progress	10,476,077	3,993,421
	47,989,974	41,507,318
Less Accumulated Depreciation (Note 1(B))	15,239,419	14,330,220
Contributions in Aid of Construction	14,770,351	9,346,511
	17,980,204	17,830,587
DEFERRED FOREIGN EXCHANGE (Note 4(b))	125,115	706,378
	$ 30,750,161	$ 30,440,487

Liabilities

CURRENT LIABILITIES		
Due to General Revenue Fund	$ 4,573,870	$ 7,694,472
Accounts Payable and Accrued Liabilities (Note 5)	1,555,503	1,375,826
Accrued Debenture Interest	616,727	348,977
Deferred Revenue	27,765	77,350
	6,773,865	9,496,625
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	22,228,462	18,728,462
Provision for Foreign Exchange at Maturity (Note 1(C) & 4(b))	1,747,834	2,215,400
	23,976,296	20,943,862
	$ 30,750,161	$ 30,440,487

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Transit System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
REVENUE			
Passenger	$33,235,252	$31,813,885	$30,464,707
Charter	180,000	176,868	161,474
Non-Transportation	1,082,430	1,202,691	958,867
Interest Capitalized	250,000	191,246	176,636
Interest on Sinking Fund	419,007	394,625	377,436
Provincial Government Grants (Note 10)	17,641,410	16,855,709	17,011,033
Appropriation from General Levy	18,162,958	18,795,734	16,806,523
TOTAL REVENUE	$70,971,057	$69,430,758	$65,956,676
EXPENDITURE			
Administration and General	$ 4,116,839	$ 4,102,970	$ 3,403,597
Schedules	331,949	329,207	313,453
Maintenance of Equipment	19,591,005	18,273,766	18,223,601
Transportation	29,510,031	29,864,896	28,305,245
Publicity and Information	746,158	764,298	692,358
Treasury (Note 9)	1,038,773	1,218,843	—
Taxes	910,000	877,138	874,876
Employee Benefits	7,788,052	7,360,966	7,287,293
Amortization of Pension Fund Deficit (Note 11)	1,401,612	1,401,612	1,401,612
Claims	84,400	51,052	28,076
General Government Charges (Note 8)	945,221	945,221	1,650,244
	66,464,040	65,189,969	62,180,355
Depreciation, Interest and Financial Expenditure			
Depreciation	930,832	908,977	692,000
Interest on Debentures	2,063,425	2,001,621	1,719,843
Financial Expenditure	649,300	413,898	719,094
	3,643,557	3,324,496	3,130,937
Purchase and Refurbishing of Rolling Stock	863,460	916,293	645,384
TOTAL EXPENDITURE	$70,971,057	$69,430,758	$65,956,676

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Transit System
Statement of Changes in Financial Position

For the Year Ended December 31, 1987

	1987	1986
FUNDS WERE DERIVED FROM		
Current Operations		
ADD Expenses not requiring Cash Outlay		
Appropriation for Purchase and Refurbishment of Rolling Stock	$ 916,293	$ 645,384
Depreciation	909,199	692,000
Amortization of Foreign Exchange	113,697	277,189
Loss (Gain) on Disposal of Fixed Assets	(3,637)	(6,171)
DEDUCT Credits to Operations not Involving Incoming Funds		
Interest on Sinking Fund	(394,625)	(377,436)
Total Funds from Current Operations	1,540,927	1,230,966
Payments from Sinking Fund Trustees		
Matured Debt	—	435,628
Foreign Exchange	414,676	37,562
Contribution from Provincial Government	5,423,840	3,997,000
Debenture Issue	3,500,000	8,628,462
Proceeds from Sale of Property and Plant	3,637	6,171
	10,883,080	14,335,789
FUNDS WERE EXPENDED FOR		
Acquisition and Refurbishment of Rolling Stock	916,293	645,384
Property, Plant and Equipment	6,482,656	6,124,441
Payments to Sinking Fund Trustees		
Actuarial Requirements	619,076	420,222
Debt Retired	—	2,000,000
Foreign Exchange on Maturities	—	766,489
	8,018,025	9,956,536
Increase in Working Capital	$2,865,055	$4,379,253

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1987

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

Purchase of buses for the years 1975 to 1983 were made out of current funds and were not recorded as capital assets.

B. DEPRECIATION

Depreciation is recorded in an amount equal to the total of serial debt repayments, Sinking Fund levies and Sinking Fund interest. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.

b) Assets are not depreciated until they have been funded, which may materially affect depreciation expense and the resulting deficit if funding is unduly delayed.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Expenditures for Transit bus fleet insurance are not being accrued. Other items of Revenue and Expenditure are accounted for on an accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**
Included in this asset are deposits for foreign exchange requirements of $1,784,518.

3. **Debenture Debt**
a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%.
The following table sets out those By-Laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
4025/85	1985	5 years	3%
4246/86	1986	5 years	3%
4347/86	1986	10 years	3%
4510/87	1987	5 years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.
c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$15,728,462
In United States Dollars	6,500,000
	$22,228,462

Debenture debt issued in United States dollars is recorded at par with the Canadian dollar.

4. **Provision for Foreign Exchange at Maturity**
a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.
b) Debenture debt payable in foreign currencies amounted to $6,500,000 as at December 31, 1987. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $1,948,700. To date $1,622,719 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $200,866. The foreign exchange deficiency of $125,115 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5. **Accounts Payable**
Commitments totalling $105,973 (1986 - $185,663) were recorded in the accounts for goods and services which had not been received by year end.

6. **Contingent Liability**
Under the sick pay credit plan for certain employees of the Transit System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7. **Fare Increase**
Basic fares were increased effective March 1, 1987 and March 1, 1988 as authorized by Council.

8. **General Government Charges**
This expenditure represents the estimated share of the City's General Government expenditures applicable to the Transit System.

9. **Treasury Branch**
The cost of the Treasury function for the Transit System was more properly allocated in 1987 from General Government to the Transit System Fund. In 1986, which was not restated, this cost was $972,000.

10. **Government Grant**
The Provincial Government provided grants of $15,656,600 toward the 1987 Transit System deficit, $426,906 under the Urban Transit Capital Grants Program and $772,203 as a Local Government General Support Grant.

11. **Amortization of Pension Fund Deficit**
City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Transit portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1987		Annual Payment	Term
Employee Benefits	$10,294,200	(Pension Improvements)	$1,354,729	to 2000
Employee Benefits	117,800		46,883	to 1990
	$10,412,000		$1,401,612	

Water Works System

Historical Data

The water supply system for the City of Winnipeg dates back to 1882, when the plant of the Winnipeg Waterworks Company was put into operation, the supply being obtained from the Assiniboine River just east of the Maryland Bridge. In 1899 the City purchased the plant from the company for $237,650. The distribution system consisted at the time of about 36 kilometers of cast iron mains. After the purchase of the plant, the City proceeded with changing the source of supply from the Assiniboine River to artesian wells chiefly located northwest of the City.

With the growth in population, however, it became evident that a more secure source of supply was necessary. This subject occupied the attention of the City Council almost continuously from 1906 to 1913, when it was ultimately decided to obtain a supply from Shoal Lake located 155 kilometers east of the municipalities. The construction of the aqueduct commenced in 1913, and on March 29, 1919 Shoal Lake water reached the City. The $17.5 million cost was funded by debentures issued by the Greater Winnipeg Water District. From 1919 to 1961 the Greater Winnipeg Water District delivered water in bulk to the City of Winnipeg's reservoirs. The adjacent municipalities which operated their own distribution facilities were supplied with water by the City. Capital costs of the District were met by a mill rate levy on land only within the District, while the operating costs were met by a water consumption charge. The City also charged on the volume of water pumped.

The McPhillips Street reservoir system was constructed in 1913 and consisted of a covered reservoir with a capacity of 82 million litres. This facility was subsequently expanded in 1932 with construction of a 182 million litre capacity open reservoir.

To meet the increasing demand for water a booster pumping station was built on Tache Avenue in 1950. This facility increased delivery to the McPhillips Reservoir from the Branch I aqueduct from 91 million litres per day by gravity to 173 million litres per day by pumping. In 1950 a study of the system was also undertaken which indicated that, by 1960, the City would require additional pumping and storage capacity and a considerable extension of the feedermains in the distribution system. As a result of this study, the City adopted a ten-year development program which was completed in 1960. The program included 26 kilometers of feedermains at a cost of $2,700,000, the new reservoir at Wilkes Avenue and Waverley Street costing $1,600,000 and the new W.D. Hurst fully automatic pumping station costing $1,700,000. The Wilkes Avenue reservoir was an open reservoir consisting of 2 cells. One cell has since been split into two and roofed. The combined capacity of the three reservoirs is 318 million litres. Space is available on-site for future expansion to 728 million litres capacity. The W.D. Hurst pumping station has an installed pumping capacity of 364 million litres per day and designed expansion to 455 million litres per day.

The City of Winnipeg received delivery of water from the aqueduct at the James Avenue Pumping Station and at its reservoirs located at McPhillips Street and Logan Avenue; and at Wilkes Avenue and Waverley Street. Water was pumped by pumping stations at these reservoirs to the City proper and to some adjoining urban municipalities. The pumping stations operate at a discharge pressure 517 KPa.

The City of St. Boniface had its own water pumping station and well collection system and was also connected directly to the aqueduct via the St. Boniface Pumping Station. Transcona also had a direct connection to the aqueduct at Plessis Road from which water was drawn for Transcona and the C.N.R. Shops. St. Vital had purchased their water supply from St. Boniface until 1954 when a pumping station and feedermain was built to convey water to the St. Vital area.

The functions of the Greater Winnipeg Water District were assumed by the Metropolitan Corporation of Greater Winnipeg on January 1, 1961, and on January 1, 1962, the Corporation assumed the responsibility of providing water to the area municipalities. The James Avenue Pumping station remained under the ownership of the City of Winnipeg as its main function was to provide water at high pressure for fire protection in the central high property value district. In 1960 an analysis of the distribution system indicated the necessity of expanding the feedermain system and providing additional pumping and storage capacity. A ten-year program was adopted by the Council of the Metropolitan Corporation. During this program an additional 73 kilometers of feedermains were constructed at a cost of $8.5 million and a new reservoir and fully automatic pumping station was constructed at Marion Street and Lagimodiere Boulevard at a cost of $4,500,000. This new MacLean Pumping Station has an installed pumping capacity of 320 million litres per day. The covered reservoir has a total capacity of 205 million litres. The completion of the Geo C. MacLean Pumping Station and Reservoir in 1964 rendered the St. Boniface and St. Vital Pumping Stations obsolete.

In 1968 the old McPhillips Street pumping station was replaced with a new automatic station with an installed pumping capacity of 365 million litres per day. The cost of this new station was $2.4 million dollars. A new McPhillips Street Reservoir was completed in 1976 at a cost of $11,000,000. This major project was started in 1974 and was placed in service on November 23, 1976. The roofs of the new reservoirs are covered with a 600 mm layer of earthfill, grassed and landscaped, providing some 7 hectares for recreational activities.

In 1971 the first 1,800 million litre capacity cell of a planned 4 cell reservoir with ultimate capacity of 7,000 million litres was constructed at Deacon, on the eastern edge of the City. The reservoir is filled during the winter and discharged in the summer and is designed to defer the construction of a second aqueduct. The second cell of the deacon complex with a capacity of 2,200 million litres was completed in June of 1978. Construction of the Deacon Booster Pumping Station followed and it was placed in service in the summer of 1980. This station will pump water from the Deacon Reservoir to the Wilkes and MacLean distribution reservoirs, and will ensure a sufficient water supply at these stations to meet peak daily demands. Reconstruction of the north cell of the Wilkes Reservoir was started in May 1980 and was completed and placed in service on December 20, 1980. This replaces the former open cell with a closed one that has a capacity of 140 million litres. The final 6.4 kilometres of the Fort Garry Feedermain was completed in 1982 at a cost of $3,000,000. The feedermain provides increased water pressure and fire protection to southern Winnipeg.

On October 10, 1986, the James Avenue High Pressure Pumping Station was retired, and the former high pressure watermain system was integrated with the domestic system through previously constructed interconnections. The integration of the two distribution systems involved joining the systems with common pipes, such that the combined system, with some upgrading of fire pumper trucks, could provide the same level of fire protection as the high pressure system had previously provided to the central high property value district. The budgeted cost for the station retirement and system integration is $755,000.

The utility bears a share of general overhead expenses of the City as well as municipal taxes.

Statistical Information

	1987	1986
Annual Water Pumped (Million Litres)	100,708.7	98,255.8
Water Pumped in Litres Per Capita Per Day	459.5	452.8
Average Daily Water Pumped (million litres per day)	275.9	269.2
Maximum Water Pumping Rate (million litres per day)	711.0	618.0
Kilometers of Aqueduct	174.6	158.0
Kilometers of Feedermains	107.0	106.2
Kilometers of Watermains	2,275.10	2,206.10
Number of Hydrants	16,372.0	15,590.0
Number of Billed Services	166,866.0	163,484.0
Block 1 Rate (Per 100 cu. ft.)	$1.30	$1.30

The City of Winnipeg
Water Works System
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
CURRENT ASSETS		
Cash on Hand	$ 196,470	$ 54,458
Due from General Revenue Fund	12,505,082	9,250,036
Accounts Receivable		
Province of Manitoba	4,164	1,568
Government of Canada	46	—
Sinking Fund Trustees	492,917	11,478
Other	3,873,804	3,625,214
	4,370,931	3,638,260
Less Allowance for Doubtful Accounts	127,541	119,365
	4,243,390	3,518,895
Inventories at cost	271,073	242,555
Deferred charges	2,160	—
	17,218,175	13,065,944
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4 (a))	21,036,093	27,289,118
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A))	159,831,248	150,855,714
Work in Progress (Note 1(A))	7,507,955	6,676,215
	167,339,203	157,531,929
LESS Accumulated Depreciation (Note 1(B))	80,283,516	76,689,840
Contributions in Aid of Construction	54,629,749	46,412,981
	32,425,938	34,429,108
DEFERRED FOREIGN EXCHANGE (Note 4(b))	1,593,668	2,595,198
	$72,273,874	$77,379,368

Liabilities

CURRENT LIABILITIES		
Accounts Payable (Note 5 & 11 (a))	$ 517,272	$ 597,093
Accrued Liabilities	383,111	509,897
Accrued Debenture Interest	1,282,728	1,593,995
Customer Deposits and Other (Note 11(a))	4,423	2,357
	2,188,034	2,703,342
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	48,923,996	55,495,661
Provision for Foreign Exchange at Maturity (Note 1 (C) & 4(b))	2,217,197	4,953,099
	51,141,193	60,448,760
Due to General Reserve Fund	2,372,707	2,057,010
	53,513,900	62,505,770
	55,701,934	65,209,112

Equity

RETAINED EARNINGS	16,571,940	12,170,256
	$72,273,874	$77,379,368

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Water Works System
Statement of Revenue and Expenditure
For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
REVENUE			
Water Sales	$31,170,000	$34,140,744	$32,403,957
Provincial Support Grant	212,500	279,935	205,000
Permits	36,300	41,336	46,850
Fire Hydrant Rentals	—	990	1,636,690
Other Rentals	18,000	28,824	27,914
Railway Services	1,325,000	1,925,430	1,977,312
Interest Earned	473,800	985,935	1,057,061
Interest Capitalized	314,000	46,722	3,404
Interest on Sinking Fund	970,314	973,267	1,145,793
Contributions from Sinking Fund	289,280	589,854	451,790
Financial Credits	—	6,875	—
Miscellaneous	20,000	25,960	42,639
TOTAL REVENUE	$34,829,194	$39,045,872	$38,998,400
EXPENDITURE			
Water Supply			
General Administration	$ 558,783	$ 507,809	$ 501,059
Water Supply Administration	175,296	54,155	198,954
Customers Accounts	1,401,325	1,324,165	1,292,968
Electrical Maintenance/Instrumentation	396,197	342,237	344,657
Mechanical Maintenance	599,825	560,925	536,042
Civil Maintenance	287,935	254,700	215,287
Backflow Prevention	128,901	106,344	86,772
Intake Operation	172,403	166,295	159,455
Staff House	78,472	65,426	59,552
Pumping Stations	1,737,848	1,712,747	1,520,633
Railway Maintenance and Operation	1,181,392	1,178,497	1,190,101
Design and Engineering	812,088	728,322	739,386
Laboratory Services	424,776	408,995	368,798
High Pressure Plant	39,493	16,347	—
	7,994,734	7,426,964	7,213,664
Water Distribution			
Administration	1,412,430	1,382,808	1,252,108
Water Meter Maintenance	931,748	963,662	802,635
Service Pipe Maintenance	2,631,839	2,429,136	2,452,323
Valve Maintenance	1,648,725	1,614,782	1,385,272
Hydrant Maintenance	1,554,644	1,441,250	1,355,103
Watermain Maintenance	4,822,974	4,072,824	4,338,620
Training	—	257,005	183,609
Emergency Services	797,638	862,518	794,109
	13,799,998	13,023,985	12,563,779
Debt and Finance			
Interest on Debentures	5,098,114	5,115,623	5,750,684
Depreciation	3,535,777	3,593,204	3,663,575
Foreign Exchange	895,100	974,436	1,882,875
Financial Expenses	27,300	33,880	212,829
	9,556,291	9,717,143	11,509,963
Other			
Realty and Business Taxes (Note 8)	1,731,904	1,463,651	1,668,053
Payroll Taxes General Government Charges, Insurance, etc. (Note 9)	839,570	937,118	822,368
Employee Benefits	1,918,599	1,790,868	1,839,908
Amortization of Pension Fund Deficit (Note 10)	274,474	284,460	284,460
	4,764,547	4,476,097	4,614,789
TOTAL EXPENDITURE	$36,115,570	$34,644,189	$35,902,195
NET PROFIT (LOSS) FOR THE YEAR	$(1,286,376)	$ 4,401,683	$ 3,096,205

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Water Works System
Statement of Retained Earnings

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$12,170,257	$ 9,074,051
ADD Net Profit for the Year	4,401,683	3,096,205
Closing Balance	$16,571,940	$12,170,256

Statement of Changes in Financial Position

For the Year Ended December 31, 1987

	1987	1986
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit for the Year	$ 4,401,683	$ 3,096,205
ADD Expenses not requiring Cash Outlay		
Depreciation	3,593,204	3,663,575
Amortization of Foreign Exchange	438,462	822,756
DEDUCT Credits to Operations not involving Incoming Funds		
Interest on Sinking Fund	(973,267)	(1,145,793)
Total Funds from Current Operations	7,460,082	6,436,743
Payments from Sinking Fund Trustees		
Matured Debt	6,720,000	1,135,448
Foreign Exchange	2,715,019	201,644
Premium on Sinking Fund Investments	138,074	—
Debenture Issue	500,000	9,064,553
General Reserve	633,420	375,856
Watermain Renewal Reserve	8,216,768	8,419,866
Proceeds from Sale of Property and Plant	472	20,137
	26,383,835	25,654,247
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	9,807,274	9,144,587
Payment to Sinking Fund Trustees		
Actuarial Requirements	2,070,653	1,930,507
Foreign Exchange	138,074	86,269
Debt Retired	7,071,665	10,451,600
Foreign Exchange on Maturities	2,310,907	3,673,400
Repayment of General Reserve	317,723	318,461
	21,716,296	25,604,824
Increase in Working Capital	$ 4,667,539	$ 49,423

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1987

1. **Significant Accounting Policies**

A PROPERTY AND PLANT

Assets of the former City of Winnipeg and Metropolitan Corporation of Greater Winnipeg and projects constructed since January 1, 1972 are recorded at cost. The assets of the former suburban Municipalities are recorded at the amount of the outstanding liabilities. The cost of assets is not removed from the accounts when the assets are taken out of service. Therefore, the assets and accumulated depreciation are overstated. The amount of the overstatement has not been determined to date.

B DEPRECIATION

Depreciation is recorded on the basis of serial debt repaid, Sinking Fund installments provided, General Reserve debt retired, and interest earned on the Sinking Fund. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.

b) Projects under construction are, in certain instances, funded and depreciated prior to being placed in service.

C FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenues and expenditures are accounted for on the accrual basis.

E On February 3rd, 1982 Council approved, by resolution, the establishment of a Reserve for Watermain Replacement and that there be an annual transfer of 100% of the Water Frontage Levy revenue to the Reserve for Watermain Renewals. Amending By-law No. 3890/85 set the Water Frontage Levy at $.85 per fronting foot.

2 **Funds on Deposit with Sinking Fund Trustees**

a) Included in this asset are deposits for foreign exchange requirements of $1,352,696.

b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $1.6 million (1986 $1.6 million) would have accrued to the credit of the utility.

3 **Debenture Debt**

a) All Sinking Fund Debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%.

The following table sets out those By-Laws which as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	3%
4025/85	1985	5 Years	3%
4246/86	1986	5 Years	3%
4347/86	1986	10 Years	3%
4510/87	1987	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$41,523,996
In United States Dollars	7,400,000
	$48,923,996

Debenture debt issued in United States Dollars is recorded at par with the Canadian Dollar.

4 **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

b) Debenture debt payable in foreign currencies amounted to $7,400,000 as at December 31, 1987. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $2,218,520. To date $485,455 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holding of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $139,397. The foreign exchange deficiency of $1,593,668 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5 **Accounts Payable**

Commitments totalling $300,606 (1986 - $173,184) were recorded in the accounts for goods and services which had not been received by the year end.

6 **Contingent Liability**

Under the sick pay credit plan of the Waterworks System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7 **Consumer Rates**

Consumer rates were increased effective January 1, 1985 as authorized by By-law 3948/85.

8 **Realty and Business Taxes**

This expenditure includes full taxes paid to outside municipalities and to the City of Winnipeg General Revenue Fund. Taxes are assessed on property as if it were privately owned. The only exceptions to this are grants in lieu of taxes paid to the R.M. of Tache ($3,750), the R.M. of Springfield ($15,000) and the Local Government District of Reynolds ($2,500). These amounts are fixed by the City of Winnipeg Act.

9 **General Government Charges**

This fund is charged with the estimated share of the City's General Government expenditures applicable to the Waterworks System. In 1987 this amounted to $675,017 (1986 - $642,788).

10 **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Waterworks System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1987	Annual Payment	Term
Employee Benefits	$2,089,400 (Pension Improvements)	$274,945	to 2000
Employee Benefits	23,900	9,515	to 1990
	$2,113,300	$284,460	

11. **Changes in Accounting Treatment**

The following changes in accounting treatment were instituted in 1987.

a) Customer deposits and other Liabilities have been shown as a separate item on the Balance Sheet. These items had previously been included in Accounts Payable. 1986 figures have been adjusted for comparative purposes.

b) Waterworks frontage levies and the corresponding transfer to the Watermain Renewal Reserve are no longer being shown on the Statement of Revenue and Expenditure. 1986 figures have been adjusted for comparative purposes.

Sewage Disposal System

Historical Data

Concern over rising pollution from sewage waste in the 1930's led to the establishment of the Greater Winnipeg Sanitary District in 1935. The same year saw a tri-government agreement to construct a sewage collection system and primary treatment plant which commenced operation in 1938. Major extensions to these facilities were constructed from 1954 through 1961 costing 3.6 million dollars.

The Metropolitan Corporation of Winnipeg replaced the Greater Winnipeg Sanitary District in 1961 and assumed the responsibility of treating sewage for the entire Metropolitan Winnipeg area. The next eleven years saw the construction of the West End Water Pollution Control Centre, and major revisions to the primary treatment and the addition of secondary treatment facilities at the North End Water Pollution Control Centre at an approximate cost of 17.8 million dollars.

On January 1, 1972, under the provisions of the City of Winnipeg Act, the new City assumed total responsibility for sewage disposal, including the individual delivery networks previously managed by the twelve former municipalities. During 1972, users continued to be charged at the same independent rates (based on water consumption) that prevailed in each of the former municipalities prior to unification. A schedule of rates common to the whole new City was adopted in 1973.

History was made on September 10th, 1974 with the opening of the South End Water Pollution control Centre, the first sewage treatment plant in Canada to utilize on-site generated oxygen to sustain bacterial growth in the sewage treatment process instead of vast quantities of air. Technological advances allowed staffing to be reduced from a 24 hr. - 7 day week to an 10 hr. - 5 day week. Twenty-four hour monitoring of this facility is undertaken at the McPhillips Water Pumping Control Centre.

Start-up of the South End Water Pollution Control Centre in 1974 marked the completion of a ten year plan to collect and provide secondary treatment for sewage generated in the southern part of the City. The cost of this 46 million litre per day facility, including the required sewage interceptor system, was approximately 15 million dollars.

A $2,000,000 expansion to the West End Water Pollution Control Centre was completed in late 1976. This addition was an extended aeration treatment plant with a capacity of 27 million litres per day. This plant functions along with the present lagoon system with a combined capacity 41 million litres per day.

Construction of two additional primary clarifiers at the North End Site in 1979 was the first step of a planned expansion to 827 million litres per day (peak flow) capacity. Improvements at the North End Water Pollution Control Centre (NEWPCC) in 1982 included the installation of equipment to improve digester performance and the purchase and installation of oxygen dissolution equipment. Additionally a contract was awarded for the supply of oxygen produced by an on-site oxygen generating plant built and operated by the supplier.

As part of the ongoing secondary process expansion, oxygen reactor tanks have been completed and the expansion of secondary clarification capacity — to 332 million litres per day (average flow) is underway. When completed in 1988 the total estimated cost for secondary process expansion works is estimated to be $44.5 million. This expansion will increase peak secondary treatment capacity and achieve a higher standard of treatment for improved pollution control. The treatment objective is 25 milligrams per litre BOD and 30 mg/1 suspended solids at peak month operating conditions. This treatment will generate increased sludge quantities requiring treatment and disposal.

Treatment of increased sludge quantities will take place in two additional sludge digesters completed in 1987 at a cost of $18.2 million. Sludge will be dewatered in a facility projected to be completed in late 1990. The current estimate for this dewatering facility is $20.6 million.

The utility bears a share of general overhead expenses of the City as well as municipal taxes.

Statistical Information

	1987	1986
Sewage Received (million litres)	118,000	129,539.0
Sewage received (million litres average per day)	324	354.9
Kilometers of Interceptor Sewers	97	97.0
Kilometers of Combined Sewers	1,081	1,073.94
Kilometers of Sanitary Sewers	1,114	1,052.58
Kilometers of Storm Sewers	904	934.48
Number of Lift Stations	96	95
Number of Billed Sewer Services	166,923	163,218.0

The City of Winnipeg
Sewage Disposal System
Balance Sheet
As at December 31, 1987

Assets

	1987	1986
CURRENT ASSETS		
Cash on Hand	$ 150	$ 150
Due from General Revenue Fund	7,161,799	430,695
Accounts Receivable		
Province of Manitoba	977	689
Government of Canada	2,494	432
Sinking Fund Trustees	361,984	47,602
Other	550,144	419,941
	915,599	468,664
	8,077,548	899,509
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4(a))	11,997,708	15,616,689
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A))	91,783,593	88,833,330
Work in Progress (Note 1(A))	46,763,161	38,471,271
	138,546,754	127,304,601
LESS Accumulated Depreciation (Note 1(B))	35,716,350	32,481,358
Contributions in Aid of Construction	13,964,169	13,634,755
	88,866,235	81,188,488
DEFERRED FOREIGN EXCHANGE (Note 4(b))	688,210	1,366,201
	$109,629,701	$ 99,070,887

Liabilities

CURRENT LIABILITIES		
Accounts Payable (Note 5 & 11)	$ 3,618,368	$ 5,923,990
Accrued Liabilities	121,161	73,402
Accrued Debenture Interest	3,297,181	2,453,860
Customer Deposits and Other (Note 11)	79,000	74,000
	7,115,710	8,525,252
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	84,948,117	76,303,876
Provision for Foreign Exchange at Maturity (Note 1(C) & 4(b))	1,077,678	2,519,772
	86,025,795	78,823,648
Due to General Reserve Fund	1,376,156	1,475,958
	87,401,951	80,299,606
	94,517,661	88,824,858

Equity

RETAINED EARNINGS	15,112,040	10,246,029
	$109,629,701	$ 99,070,887

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Sewage Disposal System
Statement of Revenue and Expenditure
For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
REVENUE			
Sewage Services	$27,545,000	$29,929,630	$26,683,409
Frontage Taxes	967,000	977,616	967,563
Provincial Support Grant	71,000	93,531	67,100
Sewer Connection Permits	33,000	41,033	43,895
Industrial Waste Surcharges	765,000	1,133,035	720,702
Interest Earned	813,900	697,357	1,910,691
Interest Capitalized	950,000	548,498	1,157,142
Interest on Sinking Fund	572,945	519,574	738,384
Contribution from Sinking Fund	155,766	317,613	243,266
Financial Credits	—	192,500	—
Miscellaneous	5,000	28,778	36,212
TOTAL REVENUE	$31,878,611	$34,479,165	$32,568,364
EXPENDITURE			
Interception and Treatment			
General Administration	$ 380,784	$ 464,564	$ 310,280
Interception and Treatment Administration	147,539	78,284	144,771
Customers Accounts	1,401,325	1,323,699	1,292,968
Electrical Maintenance/Instrumentation	396,198	342,102	344,657
Mechanical Maintenance	599,825	560,925	537,202
Civil Maintenance	287,935	254,700	227,126
Interception System	1,056,903	1,020,541	974,545
North End Water Pollution Control Centre	5,510,066	4,740,672	4,589,897
South End Water Pollution Control Centre	1,157,466	1,071,129	1,087,791
West End Water Pollution Control Centre	226,900	165,571	179,588
Industrial Waste Control	161,114	156,607	154,418
Design and Engineering	802,087	699,303	673,319
Laboratory Services	424,775	408,995	368,798
	12,552,917	11,287,092	10,885,360
Collection and Sewer Service			
Administration	564,856	613,692	559,598
Sewer Maintenance	3,100,544	2,999,930	2,963,844
Sewer Renewals	239,106	227,000	174,212
Sewer Connections	200,000	57,085	104,455
Emergency Services	122,714	132,695	122,171
	4,227,220	4,030,402	3,924,280
Debt and Finance			
Interest on Debentures	8,536,246	7,931,162	8,246,040
Depreciation	3,285,266	3,234,993	2,975,244
Foreign Exchange	734,100	639,674	2,086,922
Financial Expenses	956,150	405,211	292,998
	13,511,762	12,211,040	13,601,204
Other			
Realty and Business Taxes (Note 8)	806,000	821,839	776,043
Payroll Taxes General Government Charges, Insurance, etc. (Note 9)	500,298	536,839	492,726
Employee Benefits	612,106	638,018	570,339
Amortization of Pension Fund Deficit (Note 10)	83,992	87,924	87,924
	2,002,396	2,084,620	1,927,032
TOTAL EXPENDITURE	$32,294,295	$29,613,154	$30,337,876
NET PROFIT (LOSS) FOR THE YEAR	$ (415,684)	$ 4,866,011	$ 2,230,488

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Sewage Disposal System
Statement of Retained Earnings

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$10,246,029	$ 8,015,541
ADD Net Profit for the Year	4,866,011	2,230,488
Closing Balance	$15,112,040	$10,246,029

Statement of Changes in Financial Position

For the Year Ended December 31, 1987

	1987	1986
FUNDS WERE DERIVED FROM		
Current Operations		
Net Profit for the Year	$ 4,866,011	$ 2,230,488
ADD Expenses not requiring Cash Outlay		
Depreciation	3,234,993	2,975,244
Amortization of Foreign Exchange	405,883	777,623
DEDUCT Credits to Operations not Involving Incoming Funds		
Interest on Sinking Fund	(519,574)	(738,384)
Total Funds from Current Operations	7,987,313	5,244,971
Payment from Sinking Fund Trustees		
Matured Debt	4,550,000	2,845,700
Foreign Exchange	1,551,563	928,048
Premium on Sinking Fund Investments	74,347	—
Debenture Issues	14,000,000	29,494,300
Contributions in Aid of Construction	329,414	85,317
	28,492,637	38,598,336
FUNDS WERE EXPENDED FOR		
Property, Plant and Equipment	11,242,153	28,251,365
Payments to Sinking Fund Trustees		
Actuarial Requirements	1,888,660	1,518,831
Foreign Exchange	74,347	—
Debt Retired	5,355,759	18,263,115
Foreign Exchange on Maturities	1,244,335	6,708,694
Repayment of General Reserve	99,802	101,145
	19,905,056	54,843,150
Increase (Decrease) in Working Capital	$ 8,587,581	$(16,244,814)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1987

1 **Significant Accounting Policies**

A PROPERTY AND PLANT

Assets of the former Metropolitan Corporation of Greater Winnipeg and projects constructed since January 1, 1972 are recorded at cost. Assets of the former City of Winnipeg and the former suburban Municipalities are recorded at the amount of the outstanding liabilities. The cost of assets is not removed from the accounts when the assets are taken out of service. Therefore, the assets and accumulated depreciation are overstated. The amount of the overstatement has not been determined to date.

B DEPRECIATION

Depreciation is recorded on the basis of serial debt repaid, Sinking Fund installments provided, General Reserve debt retired, and interest earned on the Sinking Fund. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.

b) Projects under construction are, in certain instances, funded and depreciated prior to being placed in service.

C FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Other items of revenues and expenditures are accounted for on the accrual basis.

2 **Funds on Deposit with Sinking Fund Trustees**

a) Included in this asset are deposits for foreign exchange requirements of $935,498

b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $.9 million (1986 $1.0 million) would have accrued to the credit of the utility.

3 **Debenture Debt**

a) All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%.

b) The following table sets out those By-Laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 years	3%
4025/85	1985	5 years	3%
4246/86	1986	5 years	3%
4347/86	1986	10 years	3%
4510/87	1987	5 years	3%

b) All debentures are general obligations of The City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$81,548,117
In United States Dollars	3,400,000
	$84,948,117

Debenture debt issued in United States Dollars is recorded at par with the Canadian Dollar.

4 **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian Dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

b) Debenture debt payable in foreign currencies amounted to $3,400,000 as at December 31, 1987. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $1,019,320. To date $315,121 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $15,989. The foreign exchange deficiency of $688,210 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5 **Accounts Payable**

Commitments totalling $968,801 (1986 - $1,019,668) were recorded in the accounts for goods and services which had not been received by the year end.

6 **Contingent Liability**

Under the sick pay credit plan of the Sewage Disposal System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7 **Consumer Rates**

Consumer rates were increased effective January 1, 1987 as authorized by By-law 4493/86.

8 **Realty and Business Taxes**

This expenditure includes full taxes paid to outside municipalities and to the City of Winnipeg General Revenue Fund. Taxes are assessed on property as if they were privately owned. The only exception to this are taxes paid on the North End Water Pollution Control Centre which are fixed at $30,000.

9 **General Government Charges**

This fund is charged with the estimated share of the City's General Government expenditure applicable to the Sewage Disposal System. In 1987 this amounted to $310,398 (1986 - $296,886).

10 **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Sewage Disposal System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1987		Annual Payment	Term
Employee Benefits	$645,800	(Pension Improvements)	$84,983	to 2000
Employee Benefits	7,400		2,941	to 1990
	$653,200		$87,924	

11 **Changes in Acounting Treatment**

The following change in accounting treatment was instituted in 1987.

Customer deposits and other liabilities have been shown as a separate item on the Balance Sheet. These items had previously been included in Accounts Payable. 1986 figures have been adjusted for comparative purposes.

A court yard view of the Dynasty Building which is located adjacent to the Civic Centre and featuring the formal Entrance with the King Street Chinese Gardens in the foreground.
(© Henry Kallen Ltd.)

Winnipeg Ambulance Service

The Winnipeg Ambulance Department

Historical Data

The Ambulance Department was created as a Department of the City of Winnipeg on March 16, 1983 when Council adopted a report from the Ad Hoc Committee on Ambulance Service titled "Emergency Medical Services in Winnipeg" and the recommendations contained therein. The department is responsible for providing emergency medical and stable patient transfer services within the boundaries of the City of Winnipeg and up to and including the Perimeter Highway. In 1987 a contract was negotiated to extend this service to the R.M. of Ritchot. An operations audit accepted by City Council, recommended the addition of 12 Emergency Medical Attendants. The department has also been authorized to undertake a station relocation program which upon completion will provide full coverage to the Charleswood area.

The department responded to a total of 41,021 incidents of all types in 1987, and increase of 935 calls or 2% over 1986. Of these incidents 12,752 were life threatening calls, 6,873 were of an urgent nature. The balance were either stable patient transfers or, in some cases, cancelled calls.

The Operations Division with the addition of 12 new staff members will consist of 92 E.M.A.'s, 10 Dispatchers, 2 Storepersons, and 6 Supervisors. This division of 4 platoons works a 4 days on, 4 days off shift rotation, rotating from days to nights. The major demands placed on the division range from providing emergency response and treatment of the sick and injured, to those in need at other scenes that might include severe burns in a house fire or an emergency childbirth in the home. The long list of employment qualifications, education, and the necessary inservice training are only part of the qualifications for this profession. It requires an individual with fortitude, compassion, and self discipline. It is expected that ambulance personnel, like Police and Fire Fighters, will accept certain occupational risks where circumstances are such that the life, health, or safety of another person or the public may be in imminent jeopardy. At other times extraordinary powers of patience and persuasion have talked a suicidal person back from the edge or prevented a tragedy when crews encounter the unexpected with an emotionally disturbed person confronting a crew at a scene before other emergency agencies arrive to assist. The preservation of human life is first and foremost and in each instance the crew's highest priority.

The department's Operations Supervisors are responsible for the extrication of victims trapped in the wreckage at a motor vehicle accident. This function is viewed as part of the process of delivering a professional emergency medical service. The Supervisor's vehicle is equipped with a complete rescue capability, which includes such items as the Jaws of Life, air bags, power chisels, and the latest in modern equipment and specialized training in that field. The City of Winnipeg Ambulance Department has developed a level of expertise in this area that is used as a model by other Emergency Medical Services. The department expanded its extrication capability in 1987 by introducing a trench rescue response unit. This innovative capability represents the latest development in rescue work. Drill ground training exercises were conducted for both Ambulance and Fire Department staff. While trench rescue work is extremely dangerous, Winnipeg's emergency department staff have received both the training and equipment to cope with this added responsibility. A Superintendent of Emergency Services has also been appointed to take over the day to day operation of the Operations Division.

The Ambulance Department Training Division is responsible for providing recruit and inservice training for all Ambulance Department personnel. The Training Division conducts extensive reviews of all medical programs, audits patient care at incident scenes and case reviews. Training Personnel also manage the Stores Division which includes the selection of all medical supplies and equipment, and act as a resource to the Medical Director. In 1987 the Training Division provided 1690 hours of training which included one Emergency Medical Assistant recruit class, inservice training, seminars, and recertifications in advanced life support skills. The department was one of the leaders in Canadian pre-hospital care by introducing Basic Trauma Life Support Courses. This program in paramedic level management of the trauma victim, brought state of the art pre-hospital trauma care to Winnipeg. An application was prepared and submitted to the Canadian Medical Association for accreditation of the Ambulance Department's Emergency Medical Assistant Training Program to secure national certification for its departmental training standards. The department was granted a 5 year full accreditation by the C.M.A. A transfer of function was secured from the College of Physicians and Surgeons which has allowed 7 members of the department to be licensed as Paramedics. A pilot project now in place brings Advanced Cardiac Life Support to the scene of medical emergencies which includes drug administration, endotracheal intubation, and intravenous therapy. The Ambulance Department has improved the survival rates from cardiac arrest to where 36% are now admitted to hospital and 6% are ultimately discharged. The implementation of these paramedic skills still in a trial stage, however, can be expected to ensure that the citizens of Winnipeg will continue to receive state of the art pre-hospital care.

A break down of 1986 and 1987 departmental responses and response times are as follows:

Statistical Information:

	1987	%	1986	%
Total Number of Emergency Calls	19,625	100.0%	18,935	100.0%
Average Emergency Response Time	5.02 mins.		5.42 mins.	
Code 4 Calls	12,752	65.0%	12,010	63.0%
Code 3 Calls	6,873	35.0%	6,925	37.0%
Less Than 4 Minutes	6,226	49.0%	6,008	50.0%
4 — 6 Minutes	3,724	29.0%	3,130	27.0%
6 — 8 Minutes	1,559	12.0%	1,611	12.0%
Greater Than 8 Minutes	1,243	10.0%	1,261	11.0%

The City of Winnipeg
Winnipeg Ambulance Service
Balance Sheet

As at December 31, 1987

Assets

	1987	1986
Current Assets		
Cash on Hand	$ 200	$ 200
Accounts Receivable		
Individuals	520.550	486.086
Less: Allowance for Doubtful Accounts	225.000	162.000
	295.550	324.086
Agencies	81.638	79.351
Manitoba Blue Cross	47.730	153.295
Sundry	11.159	460
	436.077	557.192
Capital Assets		
Equipment at Cost		
Mobile (Note 2)	396.756	352.814
Communication	271.587	266.461
Furniture and Fixtures	124.425	119.734
	792.768	739.009
Less: Accumulated Depreciation and Amortization (Note 1A)	792.768	734.399
	—	4.610
	$436.277	$562.002

Liabilities

Due to General Revenue Fund	$192.400	$254.431
Due to General Capital Fund	—	4.610
Accounts Payable (Note 4)	27.670	37.304
Accruals	170.007	141.387
Estimated Wage Adjustment	46.200	124.270
	$436.277	$562.002

CONTINGENT LIABILITY - NOTE 3

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Ambulance Service
Statement of Revenue and Expenditure
For the Year Ended December 31, 1987

	Budget 1987	Actual 1987	Actual 1986
REVENUE			
Ambulance User Fees			
Emergency Services	$2,835,200	$3,207,095	$2,658,939
Transfer Services	455,000	350,430	393,491
	3,290,200	3,557,525	3,052,430
Appropriation from General Levy (Note 1D)	2,311,362	1,821,148	1,979,373
Province of Manitoba			
Per Capita Ambulance Grant	1,072,499	1,088,028	1,030,817
Support Grant	92,984	89,085	65,900
Special Program Grant	85,000	85,000	—
Service Contracts	5,525	43,229	4,145
Bad Debt Recoveries	12,000	20,458	12,960
Other	—	20,981	12,528
	$6,869,570	$6,725,454	$6,158,153
EXPENDITURE			
Operations			
Emergency Services	$3,915,176	$3,894,245	$3,642,690
Transfer Services	450,530	400,428	403,557
Communications	625,923	602,438	554,027
Training	307,196	266,410	229,982
Stores Branch	60,472	50,975	50,202
	5,359,297	5,214,496	4,880,458
Administration	417,850	415,243	405,683
Other			
Employee Benefits	547,299	533,241	468,195
Provision For Bad Debts	332,000	361,864	272,267
Other Debt and Financing Charges	27,140	24,870	34,865
Payroll Tax	92,984	92,022	63,137
Insurance and Claims	87,000	83,718	33,548
Miscellaneous	6,000	—	—
	$6,869,570	$6,725,454	$6,158,153

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Ambulance Service
Notes to the Financial Statements

As at December 31, 1987

1. **Significant Accounting Policies**

   A. Capital Equipment
   Capital assets financed by The City of Winnipeg - Capital Fund are amortized based on the principal repayment. Other Capital assets are fully depreciated in the year of purchase.

   B. Operating Supplies
   All operating supplies are written off as operating expenses in the year acquired.

   C. Accrual Basis of Accounting
   Revenue and expenditure are accounted for on the accrual basis.

   D. Appropriation From General Levy
   Expenditures in excess of Provincial Government grants and operating revenues are funded by the General Revenue Fund of The City of Winnipeg.

2. **Mobile Equipment**

   Mobile equipment includes only equipment normally transported in vehicles. All vehicles were transferred to the Equipment and Material Services Division in 1980. The Winnipeg Ambulance Service now pays the Equipment and Material Services Division for the use of the vehicles.

3. **Contingent Liability**

   Under terms of The Winnipeg Ambulance Service Union Agreements, certain employees are entitled to cash payments for unused sick leave credits upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for these sick leave credits has not been determined. Payments will be charged to operations in the year incurred.

   In addition under the terms of the Union Agreements, permanent employees, upon resignation from the Winnipeg Ambulance Service shall be entitled to a cash payment for his/her unused accumulated sick credits to his/her standing as of January 1, 1980, in an amount equivalent to 50% of the amount as calculated within the cash out provisions. The cash payment is calculated at the rate at which it was accumulated. No provision is made for the liability until the time of resignation or lay off. As of December 31, 1987, this liability is estimated at $69,056.

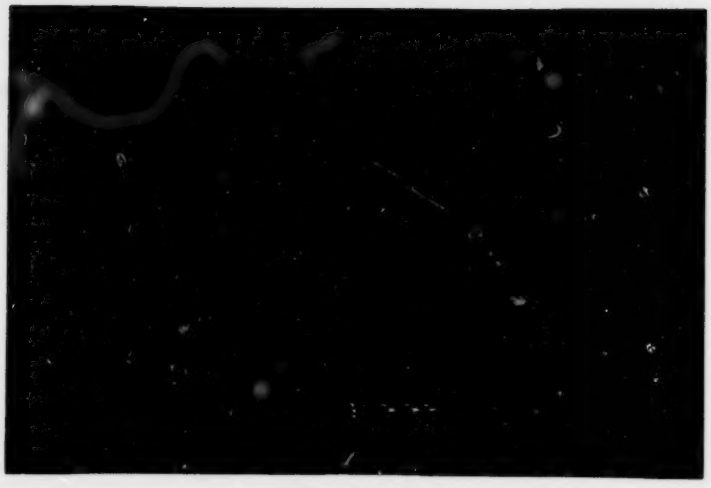
4. **Accounts Payable**

   Commitments totalling $18,934 (1986-$19,107) were recorded in the accounts for goods and services which had not been received by year end.

City Operated Municipal Hospitals Which Provide Chronic and Respirator Service

152 bed Princess Elizabeth

106 bed King Edward Memorial



79 bed King George

Winnipeg Municipal Hospitals

The Municipal Hospital Commission of The City of Winnipeg

Historical Data

Hospital Service as a civic utility dates back to January, 1911, when the old Beath Maternity Hospital, on Bannatyne Avenue, was bought for the care and treatment of Scarlet Fever prevalent at that time.

A temporary building was then constructed for cases of Pulmonary Tuberculosis on a hospital site which the City had acquired in Riverview and to which the first patient was admitted in June, 1911. Afterwards followed the construction of permanent accommodation for these cases, and in July, 191. the King Edward Memorial Hospital was ready for occupancy.

Subsequently the King George Hospital was opened in February, 1914, for all acute communicable diseases excepting Smallpox and in October, 1921, the care of Smallpox was also taken over, so that facilities for the care and treatment of all communicable diseases were then available.

On November 2nd, 1937, the McKittrick Tuberculosis Clinic erected from funds bequeathed by the late Martin T. McKittrick, was put in operation although not officially opened until June 1st, 1938, by the Reverend Sister Edith Patricia, daughter of the donor.

Construction was commenced on May 27th, 1947, of a 208-bed institution on the Municipal Hospital grounds, to provide hospital care for chronically ill patients and by Royal assent was named the Princess Elizabeth Hospital. On December 15th, 1950, the first patients were admitted for treatment.

With the intensive preventive measures of the Tuberculosis control campaign showing remarkable results and aided by the discovery of new antibiotics, it was found unnecessary for the City to continue to remain in this treatment field and effective July 1st, 1954, this service was transferred to the Sanatorium Board of Manitoba and the King Edward Memorial Hospital was replanned to provide more chronic beds to relieve the pressure on the Princess Elizabeth Hospital.

Renovation was commenced on November 15th, 1954, and completed late in 1955. As a result of this replanning, 124 additional chronic beds were available for use early in 1956.

The capacity in the King George Hospital for the treatment of acute communicable diseases, including the area respirator centre, was also adjusted in 1955, to provide for new Administrative offices and beds were reduced from 200 beds to 171.

On December 31st, 1967, the Infectious Disease Service was terminated due to the very low incidence of acute communicable diseases. By agreement reached with all area hospitals, future hospital requirements will be met by dispersing patients to special facilities established on the Unicity area acute service wards. This method of care has been endorsed by the City of Winnipeg as well as the Province of Manitoba health authorities.

As a result of this change in policy a reappraisal of beds available for treatment purposes was made and the following is the revised capacity of all three units.

King George Hospital (Respirator and extended treatment)	79 beds
King Edward Memorial Hospital (extended treatment)	106 beds
Princess Elizabeth Hospital (extended treatment)	152 beds
	337 beds

A Home Care Program established as a trial project in mid 1965 proved to be a success and now functions as an organized department. Eighty (80) patients were in receipt of this service at the fiscal year end.

During 1955 a new policy of the Provincial Government was announced to take effect January 1st, 1956. By this, all hospitals in Manitoba were inspected by a Statutory Rate Board to determine the cost of services in each hospital and a daily rate assigned accordingly.

This superseded all prior legislation covering per diem grants and statutory ward rates and following approval by the Legislature in 1956, constituted part of the revised Hospital Aid Act of Manitoba. On July 1st, 1958, a further change took place when the Manitoba Hospital Services Plan came into effect. This form of compulsory province-wide prepaid hospital insurance is intended to promote an integrated system of hospital and related health facilities on a free basis at standard ward levels to all legal residents of Manitoba. The Manitoba program is a part of the Federal Government's universal health plan which was under promotion for many years.

Since 1962, the Board and Administration of the Winnipeg Municipal Hospital have been planning for new and renovated facilities to meet the ever-increasing demand for extended care service. In 1980, approval was received from the Manitoba Health Services Commission to proceed with the development of a functional program and initial planning for a service building to accommodate designated service departments of the Hospital, together with renovations to specific areas of the King George Hospital. This new building, called the Day Hospital, dedicated to former Mayor Robert Ashley Steen, was officially opened by Her Honor Pearl McGonigal, September 14th, 1983, assisted by Mayor Wm. C. Norrie and Mrs. Robert Steen. It is a modern facility equipped to offer an enriched program of therapy and socialization to 50 patients per day. At present 25 - 30 patients are enrolled in this program.

In 1983 the Manitoba Health Services Commission approved the hospital's project for redevelopment of the Municipal Hospital.

Statistical Information*

	1987	1986
Patients Admitted—		
Chronic Service	779	749
Respirator Service	104	21
Average Stay of Patients (Days)—		
Chronic Service	123.6	144.5
Respirator Service	91.5	363.8
Days of Treatment Given	112,363	115,906
Average Number of Patients in Hospital	309	309
Average Number of Employees	649	652

*It should be noted that the statistics shown relate to the periods April 1st, 1985 to March 31st, 1986 and April 1st, 1986 to March 31st, 1987.

The Municipal Hospital Commission of The City of Winnipeg Balance Sheet

As at March 31, 1987

Assets

	1987	1986
CURRENT ASSETS		
Cash	$ 400	$ 400
Accounts Receivable	213.497	217.326
Less: Allowance for Doubtful Accounts	88.167	31.977
	125.330	185.349
Deficit recoverable from the Manitoba Health Services Commission (Note 6)	1.854.196	1.676.676
Due from The City of Winnipeg		
General Revenue Fund	776.722	512.950
Improvement and Replacement Reserve	198.310	177.744
Depreciation Reserve	196.435	232.546
	1.171.467	923.240
Materials and Supplies	378.271	348.297
Prepaid Expenses	9.371	1.360
	3.539.035	3.135.322
FIXED ASSETS (Note 2 and Note 3)		
Property, Plant and Equipment	11.340.740	11.113.788
Less: Accumulated Depreciation	4.187.754	3.655.155
	7.152.986	7.458.633
Project under Construction	4.860.225	717.753
	12.013.211	8.176.386
	$15.552.246	$11.311.708

Liabilities and Capital

	1987	1986
CURRENT LIABILITIES		
Accounts Payable	$ 785.280	$ 345.513
Accrued Liabilities	301.423	304.302
Due to The City of Winnipeg		
General Revenue Fund	2.228.750	1.932.076
General Capital Fund	23.381	20.600
General Reserve Fund	39.654	35.406
	3.378.488	2.637.897
LONG TERM DEBT		
Due to The City of Winnipeg		
General Revenue Fund	8.652.337	4.686.709
General Capital Fund (Note 3)	26.538	49.919
General Reserve Fund (Note 3)	1.898.803	1.938.457
	10.577.678	6.675.085
CAPITAL	1.596.080	1.998.726
	$15.552.246	$11.311.708

CONTINGENT LIABILITY (NOTE 4)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Municipal Hospital Commission of The City of Winnipeg Statement of Revenue and Expenditure

For the Year Ended March 31, 1987

	BUDGET 1987	ACTUAL 1987	ACTUAL 1986
REVENUE			
Manitoba Health Services Commission			
In-Patients	$20.489.208	$20.489.208	$19.397.304
Out-Patients	1.197.024	1.197.024	732.696
	21.686.232	21.686.232	20.130.000
Authorized Charges/Chronic Care Charges	798.300	601.050	623.436
Dietary	180.000	184.138	166.776
Drug Sales	412.600	425.776	340.672
Employment Projects	28.446	28.446	20.953
Federal Agencies	—	15.734	—
Interest	—	—	4.167
Non-resident Patients	—	15.806	—
Other Patient Care	18.100	14.566	19.265
Rentals	1.960	1.960	5.972
Sundry	9.007	13.456	13.511
The City of Winnipeg Grants (Note 5)	—	263.772	256.475
	23.134.645	23.250.936	21.581.227
EXPENDITURE			
Depreciation	159.600	137.259	146.245
General Administration	3.918.600	4.315.094	4.238.780
General Services	3.961.400	4.047.422	4.036.334
Interest on Long Term Loans (Note 3)	245.300	511.558	251.679
Patient Care	13.482.145	13.602.215	12.721.056
Plant Maintenance	1.367.600	1.342.745	1.335.973
	23.134.645	23.956.293	22.730.067
Net Deficit For The Year In Accordance with Manitoba Health Services Commission Reporting	—	705.357	1.148.840
Recoverable From Manitoba Health Services Commission (Note 6)	—	705.357	1.148.840
Other Income — Parking	—	45.941	47.597
Excess of Revenue over Expenditure	$ —	$ 45.941	$ 47.597

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Municipal Hospital Commission of The City of Winnipeg Statement of Capital

For the Year Ended March 31, 1987

	1987	1986
CAPITAL - Beginning of Year	$1.998.726	$2.170.172
ADD: Excess of Revenue over Expenditure	45.941	47.597
Contributed Services and Donations	72.570	153.042
	2.117.237	2.370.811
Parking Lot Construction Funded From Revenue Surplus	137.345	—
	2.254.582	2.370.811
LESS: Manitoba Health Services Commission Adjustments	37.624	—
Depreciation of Assets Purchased with Federal Government Grants	11.014	11.014
Depreciation of assets not funded by Manitoba Health Services Commission	438.272	250.830
Capital Cost of Parking Lot	137.345	—
Purchases	34.247	110.241
CAPITAL — End of Year	$1.596.080	$1.998.726
Capital is comprised of:		
Revenue Fund	$ 81.479	$ 210.868
Capital Fund	1.514.601	1.787.858
	$1.596.080	$1.998.726

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To the Chairman and Members
The Municipal Hospital Commission
of The City of Winnipeg

I have examined the balance sheet of The Municipal Hospital Commission of The City of Winnipeg as at March 31, 1987 and the statements of revenue and expenditure, capital and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such test and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1987 and the results of its operations for the year then ended, in accordance with accounting principles described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L E Marks

Winnipeg, Manitoba
March 11, 1988

Chartered Accountant
and City Auditor

The Municipal Hospital Commission of The City of Winnipeg
Statement of Changes in Financial Position

For the Year Ended March 31, 1987

	1987	1986
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net Deficit	$ (705.357)	$(1.148.840)
Prior Year's Recoveries	500.048	256.475
Parking Income	45.942	47.597
Donations	54.813	47.682
Add - Item not affecting cash (Depreciation)	137.259	146.245
	32.705	(650.841)
Decrease (Increase) in Accounts Receivable	60.019	(60.257)
Decrease (Increase) in Materials and Supplies	(29.974)	27.511
Decrease (Increase) in Prepaid Expenses	(8.011)	82.609
Increase (Decrease) in Accounts Payable	(11.953)	89.680
Increase (Decrease) in Accruals	(2.879)	150.210
	39.907	(361.088)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES:		
Payment of Long Term Debt	(56.006)	(49.762)
Interim Construction Financing	3.965.628	1.059.838
	3.909.622	1.010.076
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(3.976.286)	(1.215.037)
Expenditures paid by Donations	(21.690)	(7.007)
	(3.997.976)	(1.222.044)
Decrease in Cash	$ (48.447)	$(573.056)
REPRESENTED BY:		
Due from The City of Winnipeg General Revenue Fund - Current	$ 248.227	$ 542.506
Due to The City of Winnipeg General Revenue Fund - Current	(296.674)	(1.115.562)
	$ (48.447)	$ (573.056)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1 **SIGNIFICANT ACCOUNTING POLICIES**

a) No statutory requirements exist but The Municipal Hospital Commission follows the Canadian Hospital Accounting Manual.

b) The Statements are prepared using the accrual basis of accounting.

c) Materials and Supplies
Inventory is stated at cost using the FIFO valuation method.

d) Revenue
Revenue received from the Manitoba Health Services Commission for net insured in-patient costs is based on operating budget amounts approved annually and adjusted for amounts to be returned to or recovered from the Commission in respect of the surplus or deficit arising in the current fiscal year.

e) Surplus and Deficit

Manitoba Health Services Commission

The Hospital is entitled to retain any surplus arising from the excess of revenue over expenses for activities funded by the Manitoba Health Services Commission for each fiscal year up to a maximum of 2% of the net insured in-patient costs. Any surplus amount in excess of the maximum is returned to the Manitoba Health Services Commission.

The Hospital is eligible to make application to the Manitoba Health Services Commission for the recovery of any deficit arising from excess of approved expenses over revenue.

f) Depreciation
The Hospital records depreciation on its fixed assets in accordance with the policy determined by the Manitoba Health Services Commission as follows:

Buildings — straight line method over their estimated useful life except in the case of Fire Protection renovations costing $183,236 and Day Hospital construction costing $2,033,700 which are based on principal payment in each year of the outstanding loan from The City of Winnipeg.

Equipment — straight line method over sixteen years.

2 **PROPERTY, PLANT AND EQUIPMENT**
Property, Plant and Equipment is valued at cost and includes $1,251,879 of fully depreciated assets.

3 **LONG TERM DEBT**

a) Due to The City of Winnipeg Capital Fund — Fire Protection
This loan is due on March 31, 1989 and bears an interest rate of 13½ percent. Principal repayment is as follows:

1988 —	$23,381
1989 —	26,538
	$49,919

b) Due to The City of Winnipeg General Reserve Fund - Day Hospital
This loan is due on December 31, 2003 and bears an interest rate of 12 percent. Principal repayment is as follows:

1987/88 - $39,654
1988/89 - $44,413
1989/90 - $49,743
1990/91 - $55,712
1991/92 - $62,397
and $1,646,884 due thereafter.

4 **CONTINGENT LIABILITIES**
Under the sick pay credit plans for certain employees of The Municipal Hospital Commission, unused sick leave credits accumulate and employees with specific minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined at the end of the year.

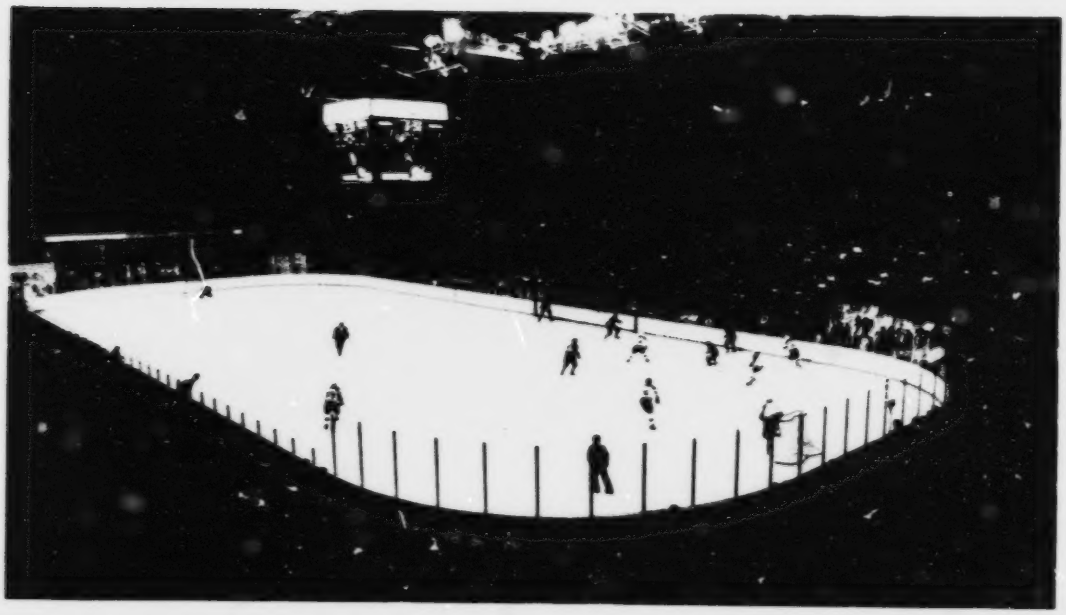
In addition, unused annual holiday for certain management employees is estimated at $36,000 (1986 - $33,900).

5 **THE CITY OF WINNIPEG GRANT - UNFUNDED PENSION LIABILITY**
Current revenue includes $263,772 from The City of Winnipeg to offset the annual charge against the Municipal Hospital Commission of its share of the cost of amortization of unfunded pension liabilities in accordance with the Pension Benefits Act of the Province of Manitoba. The Province, through the Manitoba Health Services Commission has refused to reimburse the Municipal Hospital Commission for the costs and The City of Winnipeg has agreed to absorb these costs to maintain the solvency of the Municipal Hospital Commission.

6 **DEFICIT RECEIVABLE**
The current year's net deficit of $705,357 has been recorded as a receivable from the Manitoba Health Services Commission. The recovery of the outstanding balance as at March 31, 1987 is subject to final audit by the Manitoba Health Services Commission.

7 **RECLASSIFICATION**
Certain 1986 figures have been reclassified to conform to the 1987 financial statement presentation.

Winnipeg Stadium — home of the professional Blue Bomber Football Club - this facility has a total capacity of 34,000.



Winnipeg Arena — has a seating capacity of 15,500 and is the home of the professional National Hockey League Winnipeg Jets.

Corporations:
Convention Centre
Winnipeg Enterprises

The Convention Centre Corporation

This Corporation carries on activities under the Convention Centre Act having for its purpose the construction, operation and promotion of a Convention Centre in the City of Winnipeg.

The Winnipeg Convention Centre, located in the block bounded by St. Mary and York Avenues, Carlton and Edmonton Streets, and built at a cost of $23.7 million officially opened its doors for business on January 15, 1975. It was one of the biggest events of its kind that any Canadian city had ever seen. Sixteen hundred performers entertained five thousand invited guests from all over North America in the traditional multi-cultural style for which Winnipeg is famous. After thirteen years of operation, the facility has been the site of Provincial, Canadian and American national conventions and world congresses, together with major national and international trade shows, sporting activities, theatrical events and some of the largest sit-down dinners ever hosted under one roof in Canada. Since the facility opened over $235 million has been spent in Winnipeg by delegates attending conventions.

The Centre has 117,000 square feet of meeting and exhibition space, a 600-seat movie theatre, restaurants, stores, boutiques, underground parking for 520 cars and can handle 7,200 people for special events.

The main exhibition hall can be divided into two separate areas of 50,000 and 28,000 square feet by moving partition walls. This space is utilized for trade shows, the performing arts, festival-type shows, large conventions and dinners. A portable sports floor allows the centre to accommodate spectator sporting events. One of the hall's outstanding features is it's 2,500 seats on risers, which can be telescoped against the wall when not in use. The ground floor contains over 21,300 sq. ft. of meeting room space, for one enormous meeting room seating 2,500 people, theatre style. The area also divides into 13 separate meeting rooms and additional 6 private salons. A portable dance floor transforms the ground floor meeting room into a supper-dance banquet area for more than 1,700 people. A full service kitchen and cocktail lounge are also on this floor.

The second floor has a 600-seat theatre. The theatre is available to conventions, professional and trade groups and can be used for audio and visual presentations. The Shopping Plaza located on this floor comprises approximately 13,000 square feet of rental space occupied by a variety of shops, restaurants and services for the conventioner. The Garden Terrace Cafeteria, located on this floor, is operated by The Winnipeg Convention Centre. Renovations to the second floor, completed in 1986, provided an additional area in excess of 12,000 square feet of rental space for meetings, banquets, and private/public shows. This floor is connected by pedestrian crosswalks to the Holiday Inn and Lakeview Square.

The third floor space equivalent to 70 average homes, is pillar free and has a 30 foot high open grid ceiling which can accommodate exhibits of up to fifty feet in height. Ramp access to the third floor loading dock allows up to 7 semi-trailers to unload simultaneously. The 21,000 square foot dock area may also be utilized expanding the total available space to almost 100,000 square feet on one floor.

The Centre is wired for sound and closed circuit T.V. security, controlled from a central control room. Escalators and elevators provide adequate transportation between floors.

The Convention Centre is administered by a 13-member Board of Directors consisting of: 4 City Councillors, the Commissioner of Finance (or his designate) and eight citizen members appointed at large.

The Convention Centre Corporation
(Incorporated by Special Act under the laws of Manitoba)

Balance Sheet as at December 31, 1987

Assets

	1987	1986
CASH	$ 657.139	$ 397.703
ACCOUNTS RECEIVABLE	311.471	218.928
OPERATING GRANT RECEIVABLE, City of Winnipeg	—	541.231
INVENTORY, at cost	145.894	159.225
PREPAID EXPENSES	38.608	65.860
DEFERRED CHARGE (Note 2)	751.775	—
	$1.904.887	$1.382.947

Liabilities and Surplus

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 618.716	$ 611.533
UNEARNED CAPITAL IMPROVEMENT GRANT, Destination Manitoba	—	187.759
CUSTOMER DEPOSITS	97.625	88.348
CITY OF WINNIPEG LOAN (Note 2)	751.775	—
RESERVE FOR CAPITAL REPLACEMENTS (Note 3)	378.499	495.307
SURPLUS	58.272	—
	$1.904.887	$1.382.947

Statement of Reserve for Capital Replacements

	1987	1986
Balance at beginning of year	$ 495.307	$ 178.296
Allocation for capital replacements	72.000	72.000
Appropriation from Surplus (Note 3)	70.000	562.457
	637.307	812.753
Capital replacements charged to reserve	292.480	318.839
	344.827	493.914
Proceeds from sale of equipment	33.672	1.393
BALANCE AT END OF YEAR	$ 378.499	$ 495.307

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Convention Centre Corporation
Statement of Revenue and Expenditure and Surplus
For the Year Ended December 31, 1987

	1987	1986
Operating revenue	$5,987,664	$5,222,920
Operating costs	2,323,469	1,998,320
	3,664,195	3,224,600
Operating grant, City of Winnipeg	906,472	1,041,231
	4,570,667	4,265,831
Expenditure		
Accounting and financial services	302,269	302,014
Administration	341,982	299,707
Allocation for capital replacements	72,000	72,000
Building maintenance	2,272,858	2,167,708
Event set-up	106,928	106,868
Food and beverage	211,232	197,095
Sales and promotion	555,897	580,243
Security	409,797	395,065
	4,272,963	4,120,700
Revenue from operations	297,704	145,131
Capital improvements, Destination Manitoba		
Grant (Note 4)		
Grant earned	237,759	79,175
Capital expenditure incurred	407,191	131,959
	(169,432)	(52,784)
EXCESS OF REVENUE (EXPENDITURE)	128,272	92,347
Surplus at beginning of year	—	470,110
	128,272	562,457
Appropriation to reserve for capital replacements (Note 3)	70,000	562,457
SURPLUS AT END OF YEAR	$ 58,272	$ —

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To the Members of
The Convention Centre Corporation

We have examined the balance sheet of The Convention Centre Corporation as at December 31, 1987 and the statements of revenue and expenditures and surplus, reserve for capital replacements and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1987 and the results of its operations and the changes in its financial position for the year then ended on the basis of accounting described in note 1 to the financial statements applied consistently with that of the preceding year.

Thorne, Ernst & Whinney
Chartered Accountants

Winnipeg, Canada
February 26, 1988

The Convention Centre Corporation
Notes to Financial Statements
Year Ended December 31, 1987

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements are prepared in accordance with generally accepted accounting principles with the following exceptions:

(a) Fixed assets funded out of operations are not capitalized.

(b) The Corporation provides a reserve annually out of operations for future major capital replacements.

The construction of The Convention Centre was carried out by the City of Winnipeg. Under Section 9(1) of The Convention Centre Corporation Act, the ownership of The Convention Centre shall, on a date fixed by the Council of the City of Winnipeg, become vested in the Corporation.

2. DEFERRED CHARGE AND CITY OF WINNIPEG LOAN

Deferrd charge represents repairs made to the parkade in 1987 which were funded by a loan from the City of Winnipeg. The deferred charge is carried at an amount equal to the related loan and will be amortized on the same basis that the loan is being repaid.

Subsequent to year end, the City of Winnipeg issued 10% debentures due February 2003, of which $800,000 was for purposes of the Corporation. The debentures are retractable at the option of the holder prior to maturity at either of February 1993 or February 1998.

Principal due within each of the next five years on the debentures are as follows:

1988	$ —
1989	37,074
1990	37,074
1991	37,074
1992	37,074

Debt service and financing costs will be funded out of operations of the Corporation.

In February 1987 The City of Winnipeg approved capital funding to the Corporation of $2,000,000 for major parkade and other structural repairs. An amount of approximately $1,200,000 is available for funding major structural repairs over the next four years as approved by the Board.

3. APPROPRIATION TO RESERVE FOR CAPITAL REPLACEMENTS

The Corporation approved an appropriation to the reserve for capital replacements in 1987 of $70,000 (1986, $562,457). Various projects have been committed to be undertaken in 1988 and are estimated at $77,000.

4. CAPITAL IMPROVEMENT GRANT, DESTINATION MANITOBA

The Corporation received a grant from Destination Manitoba to fund 60% of the approved capital costs of eligible projects to a maximum grant of $600,000. To December 31, 1987 costs of $1,010,927 were expended (1987, $407,191; 1986 and prior years, $603,736) with revenue of $600,000 recorded in the accounts at 60% of expended costs (1987, $237,759, 1986 and prior years, $362,241).

The Corporation may be required to repay any assistance received if it does not comply with the conditions of its agreement with Destination Manitoba. The Corporation expects to comply with all conditions of this agreement.

5. PENSION PLAN SERVICE CONTRIBUTION

A surplus existed in the pension plan at December 31, 1984, the most recent actuarial valuation. In 1985 the Board resolved that the surplus would be utilized to reduce the required employer current service contributions for the years 1985 to 1987 inclusive. The Corporation has reduced its pension expense in 1987 by approximately $68,000 and in both 1986 and 1985 by approximately $58,000. An actuarial valuation is to be prepared as at December 31, 1987.

Winnipeg Enterprises Corporation

The Winnipeg Enterprises Corporation was incorporated on July 26, 1952, for the purpose of constructing, maintaining and operating, such facilities as now exist, namely the Winnipeg Stadium, Winnipeg Arena and Velodrome. On November 5, 1975, the Corporation was charged with the responsibility of the management and operation of The Highlander Sportsplex facility. The Corporation is carried on without the purpose of gain for its members. Any profits or other accretions to the Corporation are used in promoting its objects and no part of the income of the Corporation is payable to, or otherwise available for the personal benefit of, any member as such of the Corporation. The City of Winnipeg owns all of the lands on which these facilities stand and leases these lands to the Corporation for the sum of $1.00 per year. By virtue of certain agreements entered into between the Corporation and the City, the City is entitled to require the Corporation at any time on thirty days notice to convey to it all facilities and assets, funds, contracts and undertakings of the Corporation as a going concern and to turn over possession thereof to the City or its nominee without receiving any consideration therefor.

The objects of this Corporation are to carry on activities having for their purpose civic improvement, pleasure or recreation and be of a sporting or community character or the like, i.e., build, promote, establish, own, maintain, organize, operate, conduct, and manage an athletic stadium and other buildings and facilities for the conduct of sporting and other activities of all kinds.

The seating capacity of the above mentioned facilities are as follows, namely:

Winnipeg Stadium:	
Football	34,000
Winnipeg Arena	15,500
Velodrome	3,000

The affairs of the Corporation are administered by a Board of Directors consisting of 8 councillors, the Chief Commissioner of The City of Winnipeg and eight members appointed from the citizens at large for 2-year terms.

No person serving as a Director on the Board receives remuneration for their services.

During 1987 the sports facilities accommodated the professional National Hockey League Winnipeg Jets, the Winnipeg Blue Bombers football club, numerous minor league hockey, football, ice shows, curling, circuses, pro-wrestling, concerts, tractor pulls, exhibitions and arena cross. Total attendance of all events at the arena, stadium, curling club and velodrome approximated 1.8 million.

Winnipeg Enterprises Corporation
(Incorporated by Special Act of the Province of Manitoba)
Balance Sheet

As at May 31, 1987

Assets

	1987	1986
Current Assets		
Cash on hand and in bank	$ 1.328.242	$ 49.473
Accounts receivable	831.645	974.760
Inventory	57.782	24.995
Prepaid expenses	35.562	32.755
Total Current Assets	2.253.231	1.081.983
Deferred Receivable	671.750	706.750
Investment in Jets Hockey Ventures Ltd. (A Limited Partnership)	2.706.599	2.706.599
Fixed Assets — at cost		
The Winnipeg Stadium, Winnipeg Arena, Velodrome, The Highlander Sportsplex and all equipment	28.582.634	27.132.706
	$34.214.214	$31.628.038

Liabilities, Reserves and Surplus

Current Liabilities		
Bank Loan	$ —	$ 23.000
Accounts payable and accrued charges	375.188	412.553
Accrued debenture interest	236.004	266.430
Sinking fund payment due June 15	47.814	47.814
Unearned income	8.819	13.750
Reserves for major improvements	470.919	460.120
Long term debt payments due within one year	1.188.845	988.500
Total Current Liabilities	2.327.589	2.212.167
Long-Term Debt	9.190.644	8.302.363
Contributed Funds	22.482.881	21.052.335
Retained Surplus	213.100	61.173
	$34.214.214	$31.628.038

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Winnipeg Enterprises Corporation
Statement of Revenue and Expenditures

For the Year Ended May 31, 1987

	1987	1986
Revenue	$4.674.131	$4.153.440
Expenses		
Maintenance and operating	1.641.900	1.607.102
Administration	567.110	497.716
	2.209.010	2.104.818
Revenue from operations	2.465.121	2.048.622
Interest on long-term debt	922.775	1.036.101
Revenue before appropriations	1.542.346	1.012.521
Appropriations for long term debt and major improvements	1.390.419	1.003.314
Revenue after appropriations	$ 151.927	$ 9.207

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Chairman and Members of the Board
Winnipeg Enterprises Corporation

We have examined the balance sheet of Winnipeg Enterprises Corporation as at May 31. 1987 and the statements of revenue and expenses. reserves for major improvements. contributed funds and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards. and accordingly included such tests and other procedures as we considered necessary in the circumstances.

These financial statements are presented on the basis of accounting described in Note 1 to the financial statements which differs from generally accepted accounting principles followed in a commercial business.

In our opinion. subject to the foregoing. these financial statements present fairly the financial position of the Corporation as at May 31. 1987 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Janzen. Knowles & Warkentin
Chartered Accountants

Winnipeg. Canada
July 22. 1987

Note to the Financial Statements

1. **Accounting Policies:**

Basis of Presentation

The acompanying financial statements are prepared in accordance with generally accepted accounting principles with the following exceptions:

a) The Corporation provides an appropriation annually out of operations for:
   i) payments to the sinking fund
   ii) principal payments on debentures
   iii) reserves for major improvements

b) Losses or gains on the disposition of assets are recorded through retained surplus.

c) No depreciation or amortization of fixed assets is recorded in the accounts.

d) The fixed assets of the Velodrome and The Highlander Sportsplex are recorded at cost. offset by amounts included in contributed funds. The Corporation manages and operates these facilities for The City of Winnipeg and is required to pay to The City of Winnipeg any surplus on each of their operations. less provisions to their respective reserves for major improvements. Deficits are recoverable from The City of Winnipeg.

e) Fixed assets purchased out of the reserves for major improvements are capitalized and credited to contributed funds.

f) Inventory is stated at the lower of cost or net realizable value calculated on a first in. first out basis.

Pension Funds

Employee Benefits Program — The City of Winnipeg

Effective the first pay period of 1976, a new Benefits Program providing pension and life insurance benefits was established for all employees of the City of Winnipeg other than employees of the Police Sector. A separate plan has been established for employees in the Police Sector.

Each employee of the City who is a member of an existing municipal pension plan was given the choice of continuing to accumulate benefits under the existing plan or of joining the new Benefits Program. All new employees become members of the new Program when they complete the eligibility requirements.

The new Employee Benefits Program is administered by an Employee Benefits Board of 11 persons and is comprised of five representatives of the members of the Program; an equal number of representatives appointed by City Council, at least two of which are members of Council and the others senior civic administrators or citizens experienced in the operation of other employee benefit programs; and the Commissioner of Finance or his designate who is a member of the Program.

Employees contribute 6½% of C.P.P. earnings plus 7½% of earnings in excess of C.P.P. earnings. The City contributes the amount required each year over and above the employees' contributions to provide the benefits expected to accumulate each year. The City's contribution is at least equal to the employees' required contributions.

The plan provides for optional retirement after five years of service and age 55, or 30 years of service. The pension formula is equal to 1.4% of average C.P.P. earnings for highest 6 of the final 10 years plus 2% of average earnings in excess of C.P.P. earnings for the same period, multiplied by the number of years of credited service after the date the Program is implemented.

Disability pensions are based on credited service at time of disability plus service to age 65, payable to employees who are totally or partially disabled. If the employee is totally disabled the pension from this Program plus pensions payable from a prior municipal plan and Canada Pension Plan will equal at least 60% of salary at date of disablement. Pensions are also payable to the survivors of employees who die prior to, or after retirement.

Pension Funds of Former Area Municipalities

CIVIC PENSION FUND OF THE FORMER CITY OF WINNIPEG

Until 1920 the City had no comprehensive pension scheme. The By-law in force at that time provided for the payment of certain pensions, but these were on a non-contributory basis. It was considered that a contributory scheme would be much sounder and should be inaugurated. By-law No. 10020 was accordingly passed in 1920 setting up a pension fund on a contributory basis. All matters arising out of this By-law were dealt with by a Committee of Council with the exception of the investments which were under the control of the Sinking Fund Trustees.

In 1936 By-law No. 14813 was passed and provided that in place of a Committee of Council administering the Fund, a Pension Board be constituted comprising five members—two Councillors appointed by Council, two elected representatives of the employees and a member of the Civic Pension Fund delegated by the Commissioner of Finance—and that the investment of the Fund continue to be under the control of the Sinking Fund Trustees.

On December 3, 1975, City Council passed By-law No. 1125/75 establishing the new "Employee Benefits Program" and contributors to the Civic Pension Plan were given the opportunity of joining the new program. Police Officers represented by the Winnipeg Police Association and by the Senior Police Officers Association elected to remain in the Police Sector of the Civic Pension Plan. Of the balance of contributors only 69 elected to continue to contribute to the Civic Pension Plan. As of December 31, 1987 there were 21 employees contributing to the Civic Pension Plan.

On December 17, 1980, Council passed By-law 2819/80 making the Civic Pension Plan benefits compatible with those of the Employee Benefits Program, with no significant effect on the liabilities of the Civic Pension Fund.

NEW POLICE PENSION FUND

On December 20, 1978, City Council passed By-Law No. 2148/78 establishing the new "Winnipeg Police Pension Plan." The provisions of the By-Law were retroactive to December 21, 1975. All police employees who were members of a prior municipal pension plan were required to become members of this Plan. All new police employees become members of this Plan when they complete the eligibility requirements. This Plan is presently being administered by the Police Pension Board which consist of 7 members - two appointed by Winnipeg Police Association - 1 member appointed by Winnipeg Senior Officers Association and 4 representatives appointed by the City.

Police employees contribute 7.305% of earnings. The City contributes the amount which is necessary each year, over and above the contributions required to be made by Contributing Members, to provide the benefits which are accumulated as a result of Service during that year. The Plan provides for retirement at age 60 and optional retirement after 25 years of credited service or at age 55 or older.

The pension formula for a retired employee age 65 or older is 1.4% of average Canada Pension Plan in the 60 consecutive months in which earnings are the highest, plus 2% of average earnings in excess of Canada Pension Plan earnings for the same period, multiplied by the number of years of credited service. While a retired employee is under age 65, 2% is substituted for 1.4% in determining the amount of pension payable.

METROPOLITAN CORPORATION OF GREATER WINNIPEG

This Pension Plan was established by By-Law #219 in 1962, but with retroactive provisions to January 1, 1961, the commencement date of the Metropolitan Corporation. The nucleus of the plan was the pension plan of the Greater Winnipeg Transit Commission. This in turn was an offshoot of a pension plan established in 1950 by the Winnipeg Electric Company. Provision was made in the Metro plan for employees transferred from area municipalities, or from predecessor organizations and who were members of pension plans of their former employers, to transfer to the Metro plan, or remain in their former plan, at their option. Funds of this plan are administered by Canada Trust.

Under the provisions of The City of Winnipeg Act which became effective on January 1, 1972, the Metro Employees' Pension Plan became the responsibility of the new City. On March 5, 1981, Council passed By-law 2859/81 making the Metro Employee's Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on the liabilities of the Metro Pension Fund.

ST. BONIFACE

The former City of St. Boniface provided a non-contributory retirement pension of $1.00 per month per year of service to its retired employees until 1947. In 1947 the City entered into a pension agreement with the Annuities Branch of the Federal Government and offered an alternate contributory plan to its employees. The plan would provide a pension of $75.00 a month to the older permanent employees and $100.00 a month to the younger employees and all future employees, with the restriction that new employees entering the service at age 41 or older would not qualify for pension benefits. The contribution to the plan was a fixed amount and did not vary for the individual from the date of entry into the plan until retirement.

The rigidity of the above plan and the fixed maximum benefit that could be derived, proved unsatisfactory, and in 1957 the City negotiated a career earnings plan for its employees with Great-West Life. A unit of pension was purchased each year for each employee equivalent to 1½% of his annual salary with the employee contributing 5% of salary and the City contributing the premium required to purchase the unit.

On January 1st, 1971, after negotiating with employee groups, the City of St. Boniface agreed to convert the plan from a career earnings plan to a final earnings self-administered plan subject to the employees waiving all rights in the former plan and releasing Great-West Life from the liability of guaranteeing pensions after their retirement. The assets of the former plan were transferred to the control of a Civic Pension Committee which is composed of a) a Councillor of the Community of St. Boniface, b) a citizen appointee recommended by the Community of St. Boniface, and c) a designate of the Commissioner of Finance who is a contributor to the Plan. The new plan provides a pension which is a percentage of the average best ten years of service of the employee and the percentage is 1¼% of his final average annual Canada Pension Plan earnings and 1¾% of his final average annual non-Canada Pension Plan earnings. The normal retirement of the employee is age 65, but he may retire on the first day of any month prior to his normal retirement if he has completed 30 years of service and is age 60 or older. On the basis of qualified actuarial advice the City will contribute annually into the fund, the amount necessary over and above the member's contributions to provide the benefits earned under the Plan during the year.

On December 17, 1980, Council passed By-law 2819/80 making the St. Boniface Employees' Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on the liabilities of the St. Boniface Pension Fund.

ST. JAMES-ASSINIBOIA

On May 1, 1951 the City of St. James established a Pension Plan for its employees by entering into a group annuity contract issued by Great-West Life.

On January 1, 1962 the Rural Municipality of Assiniboia established a Pension Plan for its employees by entering into a contract with Manufacturers Life.

In 1971 the council of the former City of St. James-Assiniboia agreed to convert the Pension Plan for the employees of the City from a Group Annuity Policy issued by Great-West Life to a Group Deposit Administration Contract issued by Great-West Life. The new Contract was signed September 1972. All of the former City of St. James employees agreed to transfer to the new plan whereas the majority of the R.M. of Assiniboia employees decided to continue on with Manufacturers Life.

On December 17, 1980, Council passed By-law 2819/80 making the St. James-Assiniboia Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of the pension fund.

FORT GARRY

In 1948, the former Rural Municipality of Fort Garry entered into a pension agreement with the Annuities Branch of the Federal Government to provide the employees of the former Municipality with pensions of up to $100 per month on retirement.

In 1959, the former Municipality introduced a career earnings pension plan for its employees, funded through a group annuity policy issued by Great-West Life.

In 1971, the pension benefits earned for service completed prior to that year were significantly increased as was the rate at which the employees would accumulate pension in respect of future service. At the same time, the group annuity policy was converted to a deposit administration policy.

On December 17, 1980, Council passed By-law 2819/80 making the Fort Garry employees pension plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of the pension fund.

TRANSCONA PENSION PLAN

The Employee Benefits Board at its meeting held on December 11, 1987, agreed to convert the Transcona GP 1682 annuity contract with Manufacturers Life to a deposit administration contract.

OTHER FORMER AREA MUNICIPALITIES AND MONEY PURCHASE PLAN

All the other former area municipalities had established pension plans for their employees. The pensions provided under these plans are determined in accordance with one of the following methods:

(a) The pension which can be provided by the accumulated value of the contributions made by the employee and by the employer on his behalf

(b) A pension which is based on a percentage of the employee's earnings while he is a member of the Plan.

On December 17, 1980, Council passed By-law 2819/80 referred to as money purchase plan, making the former area municipalities pension plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of those pension funds.

COUNCIL MEMBERS' PENSION FUND OF THE FORMER CITY OF WINNIPEG

City Council on November 3, 1969 passed By-law No. 19713 which provided for the establishment of a pension fund for Members of Council effective November 1, 1969. The plan was voluntary for persons who were Members of Council on the effective date and compulsory for Members who were elected to Council thereafter. The Council of the new City of Winnipeg by motion passed at a meeting held on February 16, 1972 discontinued the plan effective January 1, 1972 except for pensions payable to former Councillors who were already receiving pensions and Councillors who had qualified for pensions under the terms of the By-Law prior to discontinuance of the Plan.

At present 6 former members of Council and 4 widows of former members are receiving pensions.

PENSION PLAN AND GROUP INSURANCE PLAN FOR MEMBERS OF COUNCIL

By-law 3553/83 and By-law 3689/84 being By-laws of the City of Winnipeg to provide for a Pension Plan and Group Life Insurance Plan for Members of Council of the City of Winnipeg became effective August 17, 1983.

The City of Winnipeg
Employee Benefits Program Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Investments (Notes 1a-c)	$519,377,155	$504,821,283	$421,825,265
Cash in Bank		27,805	—
Accounts Receivable		413,990	945,420
Due from Other Funds		1,379,753	1,919,777
		1,821,548	2,865,197
		$506,642,831	$424,690,462

Liabilities

Employees' Pension Reserve—Regular	$413,766,319	$348,058,055
—Supplementary	60,803,238	51,571,279
—Firefighters Supplementary	6,505,962	4,897,850
—Designated Supplementary	24,625,088	19,152,821
	505,700,607	423,680,005
Bank Overdraft	—	96,241
Accounts Payable	942,224	914,216
	$506,642,831	$424,690,462

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of the Employee Benefits Program Pension Fund as at December 31, 1987 and the statements of income and expenditures and of changes in reserve for the Regular and Supplementary Pension Funds for the year then ended. My examination of the financial statements was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Employee Benefits Program Pension Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L. G. Barker

Winnipeg, Manitoba
June 9, 1988

Chartered Accountant
and City Auditor

The City of Winnipeg
Employee Benefits Program Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	REGULAR PENSION FUND		SUPPLEMENTARY PENSION FUND		DESIGNATED EMPLOYEE'S SUPPLEMENTARY BENEFITS FUND		FIREFIGHTERS SUPPLEMENTARY PENSION FUND	
Income	1987	1986	1987	1986	1987	1986	1987	1986
Contributions —								
The City of Winnipeg (Note 3)	$ 14,409,781	$ 13,692,516	$ 2,537,536	$ 2,428,235	$ 6,198,824	$ 6,168,917	$ 1,627,153	$1,677,214
Employees	14,587,921	14,016,971	2,547,335	2,428,377	211,916	340,707	8,438	10,067
	28,997,702	27,709,487	5,084,871	4,856,612	6,410,740	6,509,624	1,635,591	1,687,281
Investment Revenue (Note 1d, e)	32,789,743	29,988,013	5,741,095	5,321,081	1,533,292	1,271,367	398,612	308,720
Net Gain on Sale of Securities	17,060,887	10,362,071	2,987,159	1,838,648	797,524	438,746	207,333	106,538
Recoveries (Note 1f)	331,286	296,545	—	—	—	—	—	—
	79,179,618	68,356,116	13,813,125	12,016,341	8,741,556	8,219,737	2,241,536	2,102,539
Expenditures								
Administration (Note 1g)	1,002,884	1,037,186	117,589	131,419	78,646	60,847	13,544	11,097
Investment Management Fees (Note 1d)	810,266	671,688	141,868	119,185	37,053	28,668	9,633	6,961
Pension Payments	9,496,818	8,049,310	4,005,072	3,288,312	3,228,905	2,668,142	630,101	454,542
Contributions and Interest Refunded	2,037,620	1,403,643	316,637	296,292	28,597	32,362	—	—
	13,347,588	11,161,827	4,581,166	3,835,208	3,373,201	2,790,019	653,278	472,600
Net Income	$ 65,832,030	$ 57,194,289	$ 9,231,959	$ 8,181,133	$ 5,368,355	$ 5,429,718	$ 1,588,258	$1,629,939

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986	1987	1986	1987	1986	1987	1986
Opening Balance	$348,058,055	$290,977,766	$ 51,571,279	$43,390,146	$19,152,821	$13,628,103	$ 4,897,850	$3,248,911
ADD: Net Income	65,832,030	57,194,289	9,231,959	8,181,133	5,368,355	5,429,718	1,588,258	1,629,939
Transfer (Note 2)	—	—	—	—	103,912	95,000	19,854	19,000
DEDUCT: Transfer (Note 2)	123,766	114,000	—	—	—	—	—	—
Closing Balance	$413,766,319	$348,058,055	$60,803,238	$51,571,279	$24,625,088	$19,152,821	$6,505,962	$4,897,850

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Employee Benefits Program Pension Fund
Notes to the Financial Statements

December 31, 1987

1. **Significant Accounting Policies**
   a) The equity funds are recorded at cost.
   b) Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of these investments are written off to the income account in the year of purchase.
   c) Bond residues and coupons are carried at cost plus income. Income is calculated by multiplying the book value of the investments by the effective yield of the investment.
   d) Investment income and expenses are allocated between Regular and Supplementary Pension Reserve accounts on the basis of contributions received by each fund.
   e) Investment revenue in the Firefighters and Designated Employees' Supplementary account is determined by using the gross rate of return to the average reserve balances.
   f) Recoveries are those administration costs incurred for prior plans.
   g) Internal administration costs are apportioned to each of the funds.
   h) The funds follow the accrual method of accounting.

2. By-law #4064/85 provides for a transfer of funds from the Regular Funds to the Designated Employees' and Firefighters' Supplementary Funds as a result of changing the average from a 7 to 6 year average for service from January 1, 1972 to present.

3. The actuarial report prepared as at December 31, 1985, stated that the regular account has a surplus of $19,325,000 and that the Supplementary Account had a surplus of $7,860,000. The Firefighters and Designated Employees Supplementary Account have an unfunded liability of $9,227,000 for Firefighters and $41,628,000 for Designated Employees. These unfunded liabilities must be paid by The City of Winnipeg in the amount of $1,544,000 per year until 1990 for Firefighters and $5,172,000 per year until 1990 for Designated Employees. From 1991 to December 21, 2000 the payment will reduce to $754,000 for Firefighters and to $4,999,000 for Designated Employees. The City is also required to contribute towards current service cost. The past service and current service cost for both accounts during 1987 was $7,825,977.

4. Section 11A(d) of the Employee Benefits Program By-law allows that where an amount is transferred to another Registered Plan in respect of a Member's Spouse because of a marriage breakup, the member may elect to contribute an equal amount to the Plan within one year of the date on which the transfer is made.

5. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.

6. The rate of return on investments was as follows:

	1987	1986
Investment Revenue	8.69%	9.49%
Net Gain on Sale of Securities	4.52	3.28
	13.21%	12.77%
Less Investment Fees	.21	.21
Net	13.00%	12.56%

The City of Winnipeg
Employees Group Insurance Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets with The Sinking Fund Trustees (Note 1)	$10,411,857	$10,253,049	$9,175,576
Accounts Receivable		115,674	—
		$10,368,723	$9,175,576

Liabilities

	1987	1986
Employee Benefits Program Insurance Reserve (Note 2)	$9,332,507	$8,302,589
Police Employees Insurance Reserve (Note 3)	892,650	745,311
Due to Employee Benefits Program Pension Fund	26,625	16,129
Prepaid Insurance Contributions (Note 1(b))	111,547	111,547
Miscellaneous	5,394	—
	$10,368,723	$9,175,576

Statement of Income and Expenditures

For The Year Ended December 31, 1987

	1987	1986
Income		
Contributions		
The City of Winnipeg	$1,514,623	$1,474,335
Employees — Regular	1,526,192	1,478,425
— Additional	269,180	244,319
Pensioners	92,141	—
Other	8,510	89,469
	3,410,646	3,286,548
Investment Revenue	914,757	909,135
Net Loss on Sale of Securities	—	(3,250)
	4,325,403	4,192,433
Expenditures		
Premiums — Regular	2,359,761	2,812,142
— Additional	255,904	233,580
— Pensioners	639,638	—
	3,255,303	3,045,722
Investment Fees	1,732	1,052
Administration Expenses	94,943	61,490
Contributions Refunded	1,523	1,485
	3,353,501	3,109,749
Net Income	$ 971,902	$1,082,684

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Employees Group Insurance
Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$8.302.589	$7.724.180
ADD: Net Income	971.902	1.082.684
Experience Gain	58.016	241.036
DEDUCT: Transfer to Police Employees Insurance Reserve	—	(745.311)
Closing Balance	$9.332.507	$8.302.589

Police Employees Group Insurance
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987
Income	
Contributions	
The City of Winnipeg	$ 91.511
Employees — Regular & Additional	244.286
Pensioners	2.515
	338.312
Investment Revenue	87.717
	426.029
Expenditures	
Premiums:	
- Regular & Additional	262.227
- Pensioners	7.193
	269.420
Investment Fees	166
Administration Expenses	9.104
	278.690
Net Income	$ 147.339

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$ 745.311	$ —
ADD: Net Income	147.339	—
Transfer from Employee Benefits Program	—	745.311
Closing Balance	$ 892.650	$ 745.311

THE ACCOMPANYING NOTES ARE AN INEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board and Police Pension Board
The City of Winnipeg

I have examined the balance sheet of the City of Winnipeg Employees Group Insurance Fund as at December 31, 1987 and the statements of income and expenditures and changes in reserve for the year then ended. My examination of these financial statements was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Group Insurance Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with accounting policies stated in the notes to the financial statements, applied on a basis consistent with that of the preceding year.

L E Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

Notes to the Financial Statements

1. **Significant Accounting Policies.**
   a) Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the revenue account in the year of purchase. When investments are sold or mature, the difference between carrying value and proceeds is written off or credited to the revenue account at that time.
   b) Prepaid Insurance Contributions represent an estimate of contributions by temporary employees and the City to provide coverage during lay-offs. Prepaid Insurance was eliminated at the end of 1987 and the Prepaid Insurance Contributions will be refunded during 1988.
2. The Group Insurance Reserve Account may be considered as a reserve to finance a portion of the cost of the post-retirement insurance expected to be provided in the future to the present members of the Group Life Insurance Plan.

   The Group Insurance Reserve is the excess of contributions and interest earned over insurance policy premiums and administrative expenses. The Reserve also includes experience gain which consists of the excess of premiums over claims paid for 1986 and prior years.
3. The Employee Benefits Board agreed to transfer, effective December 31, 1986, to the Police Pension Board an appropriate share of insurance funds to cover police employees. A separate insurance fund is maintained for police employees. The Police Pension Board has accepted responsibility for this fund.
4. The Actuarial Report prepared as at December 31, 1985 disclosed actuarial shortfalls of $2,860,000 in the Employee Benefits Program Reserve and $238,000 in the Police Employees Reserve. The Report stated that if the contribution rates are maintained at their current levels these shortfalls will be fully amortized by 1996 for the Employee Benefits Program Reserve and by 1993 for the Police Employees Reserve.
5. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.
6. The Rate of Return on Investments.

	1987	1986
Investment Revenue	10.26%	10.70%
Net Loss on Sale of Securities	—	(.04)
	10.26	10.66
LESS Investment Fees	.02	.01
NET	10.24%	10.65%

The City of Winnipeg
Civic Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets with Sinking Fund Trustees (Note 1 a & b)	$133.262.923	$130.733.926	$129.134.755
Short Term Investments	6.025.000	6.025.000	1.075.000
Accrued Interest	1.074.076	1.074.076	1.176.299
Cash in Bank	370.252	370.252	101.764
	140.732.251	138.203.254	131.487.818
Assets with Great West Life Transaction Account	6.519	6.519	8.699
	$140.738.770	$138.209.773	$131.496.517

Liabilities

	1987	1986
Employees' Pension Reserve	$138.003.944	$130.442.565
Due to Employee Benefits Program Pension Fund	205.829	1.053.952
	$138.209.773	$131.496.517

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Civic Pension Board

I have examined the balance sheet of the Civic Pension Fund as at December 31, 1987 and the statement of income and expenditures and changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Civic Pension Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with the policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L. G. Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
Civic Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987	1986
Income		
Contributions		
The City of Winnipeg	$ 33.909	$ 37.028
Employees		
Regular	33.909	38.642
Repayment of Transferred contributions (Note 2)	9.317	—
	77.135	75.670
Investment Revenue	11.497.936	12.868.263
Net Gain on Sale of Securities	4.824.183	3.352.854
	16.399.254	16.296.787
Expenditures		
Administration	129.841	159.626
Investment Fees	318.104	281.468
Pension Payments	8.302.939	7.485.830
Contributions and Interest Refunded	86.991	62.916
	8.837.875	7.989.840
NET INCOME	$ 7.561.379	$ 8.306.947

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$130.442.565	$122.135.618
ADD: Net Income	7.561.379	8.306.947
Closing Balance	$138.003.944	$130.442.565

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase.
   b. Bond residues and coupons are carried at cost plus accrued income. Income is recognized at the effective yield rate on these investments.
   c. The fund follows the accrual method of accounting.
2. Section 11A(d) of By-law No. 2819/80 allows that where an amount is transferred to another Registered Plan in respect of a Member's Spouse because of a marriage breakup, the Member may elect to contribute an equal amount to the Plan within one year of the date on which the transfer is made.
3. The Actuarial report prepared as at December 31, 1985 disclosed that there was no actuarial surplus or unfunded liability.
4. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and on half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.
5. The rate of return on investments:

	1987	1986
Investment Revenue	8.53%	10.14%
Net Gain on Sale of Securities	3.58	2.64
	12.11	12.78
LESS Investment Fees	.24	.22
Net	11.87%	12.56%

The City of Winnipeg
Winnipeg Police Pension Fund
By-Law 2148/78
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets with The Sinking Fund Trustees (Note 1 a & b)	$124.258.007	$120.943.609	$109.503.215
Short Term Investments	7.325.000	7.325.000	875.000
Accrued Interest	1.210.964	1.210.964	1.158.835
Cash in Bank	46.330	46.330	123.155
	132.840.301	129.525.903	111.660.205
Assets with Great West Life Transaction Account & Money Market Fund	283.056	283.056	354.242
Assets with Citadel Life Money Market Fund	325.742	325.742	303.846
Assets with North American Life Deposit Fund	165.103	165.103	147.808
Assets with Manufactures Life (Note 4)	181.626	181.626	—
	$133.795.828	$130.481.430	$112.466.101

Liabilities

	1987	1986
Employees' Pension Reserve - Regular	$123.077.975	$105.910.670
- Supplementary	7.023.967	5.729.026
	130.101.942	111.639.696
Due to Employee Benefits Program Pension Fund	379.488	259.405
Accounts Payable	—	567.000
	$130.481.430	$112.466.101

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Police Pension Board

I have examined the balance sheet of the Winnipeg Police Pension Fund, By-Law 2148/78 as at December 31, 1987 and the statement of income and expenditures and changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Winnipeg Police Pension Fund, By-Law 2148/78 as at December 31, 1987 and the results of its operations for the year then ended in accordance with accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L E Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
Winnipeg Police Pension Fund
By-Law 2148/78
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	Regular Pension Fund		Supplementary Pension Fund	
	1987	1986	1987	1986
Income				
Contributions—				
The City of Winnipeg (Note 2)	$ 3.785.181	$ 2.356.925	$ 345.888	$ 333.990
Employees				
— Regular	3.188.853	3.054.120	349.242	334.036
— Voluntary	21.690	—	—	—
	6.995.724	5.411.045	695.130	668.026
Investment Revenue (Note 1d, 4 and 6)	10.097.964	10.288.735	531.141	532.009
Net Gain on Sale of Securities	4.058.404	2.327.007	213.426	120.301
	21.152.092	18.026.787	1.439.697	1.320.336
Expenditures				
Administration	95.463	92.490	11.081	11.431
Investment Fees	284.954	205.061	*4.998	25.345
Pension Payments	3.537.502	2.938.849	90.469	10.285
Contributions and Interest Refunded	248.494	237.647	28.208	21.521
	4.166.413	3.474.047	144.756	68.582
NET INCOME	$ 16.985.679	$14.552.740	$1.294.941	$1.251.754

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	Regular Pension Fund		Supplementary Pension Fund	
	1987	1986	1987	1986
Opening Balance	$105.910.670	$91.357.930	$5.729.026	$4.477.272
ADD - Net Income	16.985.679	14.552.740	1.294.941	1.251.754
- Conversion of Assiniboia Annuity Contract	181.626	—	—	—
Closing Balance	$123.077.975	$105.910.670	$7.023.967	$5.729.026

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Police Pension Fund
By-Law 2148/78
Notes to the Financial Statements

December 31, 1987

1. **Significant Accounting Policies**

   a) Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase.

   b) Bond residue and coupons are carried at cost plus income. Income is calculated by multiplying the book value of the investment by the effective yield of the investment.

   c) The fund follows the accrual method of accounting.

   d) Investment revenue is allocated between Regular and Supplementary Pension Reserve accounts by applying the rate of return earned on the average reserve balances.

2. The Actuarial report prepared as at January 1, 1987 disclosed that there was an unfunded actuarial liability in the Regular Pension Account amounting to $7,277,000.00. In keeping with the Actuary's recommendation, on December 31, 1987 the City of Winnipeg paid $878,700.00 towards this unfunded liability. Similar payments of $878,700 are required each December 31st, up to and including the year 2001.

   The City of Winnipeg is also required to pay 96% of the employees' required contributions to the Regular Account and 100% of the employees' required contributions to the Supplementary Account.

3. A Police Supplementary Fund was established January 1, 1980 to provide for cost of living increases.

4. The Employee Benefits Board at its meeting held on December 11, 1987, agreed to convert the Assiniboia GP 2967 annuity contract with Manufacturers Life to a deposit administration contract.

5. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.

6. The rate of return on investments is as follows:

	1987	1986
Investment Revenue	8.76%	10.38%
Net Gain on Sale of Securities	3.52	2.35
	12.28	12.73
LESS Investment Fees	.25	.22
Net	12.03%	12.51%

The City of Winnipeg
Metro Employees' Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets with Canada Trust Investment Counsel Inc. (Note 1)	$87,695,095	$84,915,061	$76,623,564
Accrued Income	1,189,658	1,189,658	1,092,204
	$88,884,753	$86,104,719	$77,715,768
Other Assets			
Accounts Receivable		204	605
		$86,104,923	$77,716,373

Liabilities

	1987	1986
Employees' Pension Reserve	$85,466,670	$77,080,613
Due to Employee Benefits Program Pension Fund	613,432	607,465
Accounts Payable	24,821	28,295
	$86,104,923	$77,716,373

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Metro Employees' Retirement Committee

I have examined the balance sheet of The City of Winnipeg, Metro Employees' Pension Fund as at December 31, 1987 and the statements of income and expenditures and of changes in reserve account for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Metro Employees' Pension Fund as at December 31, 1987 and the results of its operations for the year then ended, in accordance with accounting policies as stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L. G. Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
Metro Employees' Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987	1986
Income		
Contributions		
The City of Winnipeg	$ 11,491	$ 11,141
Employees	11,492	11,141
	22,983	22,282
Investment Revenue	5,274,429	5,062,052
Net Gain on Sale of Securities	6,817,272	7,334,124
	12,114,684	12,418,458
Expenditures		
Administration	76,650	83,590
Investment Fees	147,440	149,925
Pension Payments	3,447,909	3,155,147
Contributions and Interest Refunded	56,628	12,033
	3,728,627	3,400,695
NET INCOME	$ 8,386,057	$ 9,017,763

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$77,080,613	$68,062,850
ADD: Net Income	8,386,057	9,017,763
Closing Balance	$85,466,670	$77,080,613

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. Investments are recorded at cost.
   b. The fund follows the accrual method of accounting.
2. The actuarial report prepared as at December 31; 1985 disclosed an actuarial surplus of $7,383,000.
3. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.
4. The rate of return on investments was as follows:

	1987	1986
Investment Revenue	6.44%	6.93%
Net Gain on Sale of Securities	8.32	10.05
	14.76	16.98
LESS: Investment Fees	.18	.21
Net	14.58%	16.77%

The City of Winnipeg
St. Boniface Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets with Great-West Life (Note 1)			
Mortgage Fund	$2,458,307	$2,424,185	$2,283,695
Canadian Equity Fund	1,296,933	1,296,933	1,222,929
U.S. Equity Fund	557,489	557,489	597,840
Real Estate Fund	326,895	326,895	287,621
Bond Fund	3,185,801	3,327,194	3,025,221
Deposit Fund	—	—	1,018
Money Market Fund	—	—	232,723
Transaction Account	8,581	8,581	4,587
	$7,834,006	$7,941,277	$7,655,634

Liabilities

	1987	1986
Employees' Pension Reserve	$7,873,058	$7,538,203
Accounts Payable	—	53,631
Due to Employee Benefits Board	68,219	63,800
	$7,941,277	$7,655,634

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
St. Boniface Pension Committee

I have examined the balance sheet of The City of Winnipeg, St. Boniface Pension Fund as at December 31, 1987 and the statement of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg,St. Boniface Pension Fund as at December 31, 1987 and the results of its operations for the year then ended, in accordance with the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L E Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
St. Boniface Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987	1986
Income		
Investment Revenue	$ 647.585	$ 750.604
Gain on Sale of Securities	1.473	252.947
Experience Refund	—	312
	649.058	1,003.863
Expenditures		
Administration	8.083	10.290
Investment Fees	23.891	32.492
Pension Payments	280.939	218.635
Contributions and Interest Refunded	1.290	3.553
	314.203	264.970
Net Income	$ 334.855	$ 738.893

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$7.538.203	$6.799.310
ADD - Net Income	334.855	738.893
Closing Balance	$7.873.058	$7.538.203

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage Fund, the Bond Fund and Deposit Funds are recorded at cost. The Money Market Fund, Canadian & U.S. Equity Fund and Real Estate Fund are recorded at cost with adjustment to reflect the gain in market value. Gains in market value which were taken into investment income totalled $64.649 in 1986. The Transaction Account records cash transfers, revenue and operating expenses by Great-West Life.
   b. The fund follows the accrual method of accounting.
2. An actuarial report prepared as at December 31, 1985 disclosed that there is no actuarial unfunded liability or acturial surplus.
3. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest rvenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.
4. The rate of return on investments was as follows:

	1987	1986
Investment Revenue	8.30%	10.35%
Gain on Sale of Securities	.02	3.49
	8.32%	13.84%
LESS Investment Fees	.31	.45
NET	8.01%	13.39%

The City of Winnipeg
St. James-Assiniboia Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets in Trust with Great-West Life (Note 1)			
Mortgage Fund	$1,052,739	$1,037,450	$1,263,211
Real Estate Fund	514,687	514,687	452,851
Canadian Equity Fund	2,132,175	2,132,175	2,010,512
U.S. Equity Fund	854,064	854,064	915,880
Money Market Fund	—	—	30,928
Bond Fund	5,429,267	5,524,028	5,009,403
Transaction Account	14,703	14,703	3,681
	$9,997,635	$10,077,107	$9,686,466
Accounts Receivable		212	239
		$10,077,319	$9,686,705

Liabilities

Employees' Pension Reserve	$9,999,044	$9,612,834
Due to Employee Benefits Program Pension Fund	78,275	73,871
	$10,077,319	$9,686,705

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
St. James-Assiniboia Pension Committee

I have examined the balance sheet of The City of Winnipeg, St. James-Assiniboia Pension Fund as at December 31, 1987 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, St. James-Assiniboia Pension Fund as at December 31, 1987 and the results of its operations for the year then ended, in accordance with the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L. E. Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
St. James-Assiniboia Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987	1986
Income		
Contributions		
The City of Winnipeg	$ 8.972	$ 8.698
Employees	8.973	8.698
	17.945	17.396
Investment Revenue	769.750	924.492
Gain on Sale of Securities	5.327	197.763
	793.022	1.139.651
Expenditures		
Administration	10.969	13.644
Investment Fees	24.846	29.869
Pension Payments	356.126	295.692
Contributions and Interest Refunded	14.871	8.716
	406.812	347.921
Net Income	$ 386.210	$ 791.730

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$9.612.834	$8.821.104
ADD Net Income	386.210	791.730
Closing Balance	$9.999.044	$9.612.834

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage Fund and Bond Fund are recorded at cost. The Canadian Equity Fund, U.S. Equity Fund, Real Estate Fund and Money Market Fund are recorded at cost with adjustment to reflect the gain in market value. Gains in market value totalling $124.150 from these three funds were taken into investment income in 1987. In 1986 the total gain was $211.031. The Transaction Account records cash transfers, revenue and operating expenses by Great-West Life.
   b. The fund follows the accrual method of accounting.
2. An Actuarial report prepared as at December 31, 1985 disclosed that the fund had no unfunded actuarial liability or a surplus.
3. The 1986 rate of return on investments hasd been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.
4. The rate of return on investments was as follows:

	1987	1986
Investment Revenue	7.79%	9.96%
Gain on Sale of Investment	.05	2.13
	7.84	12.09
LESS Investment Fees	.25	.32
NET	7.59%	11.77%

The City of Winnipeg
Fort Garry Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets with Great-West Life (Note 1)			
Mortgage Fund	$1.273.463	$1.214.963	$1.082.605
Money Market Fund	372.305	372.305	342.084
Deposit Fund	389.356	389.356	—
Transaction Account	28.977	28.977	6.386
	$2.064.101	2.005.601	1.431.075
Accounts Receivable		—	433.252
		$2.005.601	$1.864.327

Liabilities

Employees' Pension Reserve	$1.971.064	$1.850.219
Accounts Payable	34.537	14.108
	$2.005.601	$1.864.327

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg, Fort Garry Pension Fund as at December 31, 1987 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Fort Garry Pension Fund as at December 31, 1987 and the results of its operations for the year then ended, in accordance with the policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

L E Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
Fort Garry Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987	1986
Income		
Contributions		
The City of Winnipeg	$ 2.653	$ 2.422
Employees — Regular	2.653	2.423
— Voluntary	780	570
	6.086	5.415
Investment Revenue	206.865	200.799
Experience Refund	—	56.561
	$212.951	$262.775
Expenditures		
Administration	8.526	5.691
Investment Fees	7.273	6.395
Pension Payments	56.626	51.834
Contribution and Interest Refunded	19.681	13.097
	92.106	77.017
Net Income	$ 120.845	$185.758

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$1.850.219	$1.278.055
ADD Net Income	120.845	185.758
Conversion of Insured Policy 7220GP (Note 3)	—	386.406
Closing Balance	$1.971.064	$1.850.219

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage and Deposit Funds are recorded at cost. The Money Market Fund is recorded at cost with adjustment to reflect the gain in market value. A market value gain of $30.221 was taken into investment income in 1987. The transaction account records cash transfers, revenue and operating expenses by Great West Life.
   b. The fund follows the accrual method of accounting.
2. The Actuarial report prepared as at December 31, 1985 disclosed an actuarial surplus of $730.000.
3. The former Fort Garry Policy 7220GP with Great West Life was converted to Investment Only Contract.
4. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.
5. The rate of return on investments was as follows:

	1987	1986
Investment Revenue	10.69%	16.31%
LESS Investment Fees	.38	.41
NET	10.31%	15.90%

The City of Winnipeg
Transcona Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987
Assets with Manufacturers Life (Note 2)	$ 1,829,474	$1,829,474
Due from Employee Benefits Board Pension Fund	100,263	100,263
	$1,929,737	$1,929,737

Liabilities

Employees' Pension Reserve	$1,929,737

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg Transcona Pension Fund as at December 31, 1987 and the statement of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, except that these financial statements have not been presented on a comparative basis as explained in Note 1, these financial statements present fairly the financial position of The City of Winnipeg Transcona Pension Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with accounting principles described in the notes to the financial statements.

L E Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
Transcona Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987
Income	
Contributions	
The City of Winnipeg (Note 3)	$ 27.900
Employees	3.000
	30.900
Expenditures	
Administration	10.241
Pension Payments	84.975
Contributions and Interest Refunded	2.770
Refund of 1986 Unfunded Liability Overpayment	126.000
	223.986
NET INCOME	$ (193.086)

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987
Opening Balance	$ 293.348
ADD - Net Income	(193.085)
- Conversion of Annuity Contract to a Deposit Administration Contract (Note 2)	1.829.474
Closing Balance	$1.929.737

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. For the years ended December 31, 1986 and prior, the accounts of the Transcona Pension Fund were included in the accounts of the Employee Benefits Program Pension Fund. Accordingly, no seperate financial statements were previously prepared.

2. The Employee Benefits Board at its meeting held on December 11, 1987, agreed to convert the Transcona GP 1682 annuity contract with Manufacturers Life to a deposit administration contract.

3. The Actuarial Report prepared as at December 31, 1985 disclosed an unfunded actuarial liability of $206.000.00. In keeping with the Actuary's recommendation, on December 31, 1987 the City of Winnipeg paid $25.000.00 towards this unfunded liability. Similar payments of $25.000.00 are required each December 31st, up to and including the year 2000.

   On December 31, 1986 the City of Winnipeg had made an unfunded liability payment of $151.000.00 as was required under the December 31, 1982 valuation. The December 31, 1985 valuation revealed that only $25.000.00 was required on December 31, 1986. Therefore, the overpayment of $126.000.00 was refunded to the City of Winnipeg on December 31, 1987.

The City of Winnipeg
Money Purchase Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	Market Value	1987	1986
Assets with Great-West Life (Note 1)			
Transaction Account	$ 2.792	$ 2.792	$ 6.432
Money Market Fund#1	2.458.616	2.458.616	2.373.897
Assets with London Life Mortgage Fund (Note 1)	595.123	595.123	555.877
Assets with Citadel Life Money Market Fund (Note 1)	1.628.676	1.628.676	1.519.200
Assets with Manufacturers Life (Note 2)	432.257	432.257	—
	$5.117.464	$5.117.464	$4.455.406

Liabilities

	1987	1986
Employees' Pension Reserve (Note 2)	$5.080.084	$4.422.793
Due to Employee Benefits Program Pension Fund	37.380	32.613
	$5.117.464	$4.455.406

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg, Money Purchase Pension Fund as at December 31, 1987 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg Money Purchase Pension Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with accounting principles described in the notes to the financial statements.

L B Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

The City of Winnipeg
Money Purchase Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1987

	1987	1986
Income		
Contributions		
The City of Winnipeg	$ 13.439	$ 12.852
Employees	13.439	12.852
	26.878	25.704
Investment Revenue	352.935	525.031
	379.813	550.735
Expenditures		
Administration	17.745	15.507
Investment Fees	4.472	3.976
Pension Payments	121.925	128.817
Contributions and Interest Refunded	10.637	—
	154.779	148.300
Net Income	$ 225.034	$ 402.435

Statement of Changes in Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$4.422.793	$4.020.358
ADD - Net Income	225.034	402.435
- Conversion of Assiniboia Annuity Contract	432.257	—
Closing Balance	$5.080.084	$4.422.793

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a) Assets with Great West Life, London Life and Citadel Life are recorded at market value.
   b) The fund follows the accrual method of accounting.

2. The Money Purchase Fund was established in 1983, by the conversion of the prior Municipal Insurance Plans under authority of By-law 2819/80. The Employee Benefits Board at its meeting held on December 11, 1987, agreed to convert the Assiniboia GP 2967 annuity contract with Manufacturers Life to a deposit administration contract.

3. The Actuarial Report as at December 31, 1985, disclosed an actuarial surplus of $1,515,000.

4. The 1986 rate of return on investments has been re-stated to reflect a change in the method of calculation that was instituted during 1987. One half of the interest revenue and one half of the net gain on sales of securities, in a given year, are now included in the investment base. In 1986 and prior years, these amounts were not included.

5. The rate of return on investments was as follows:

	1987	1986
Investment Revenue	7.72%	12.34%
LESS Investment Fees	.10	.09
NET	7.62%	12.25%

The City of Winnipeg
Council Members' (Pre - 1972) Pension Fund
Balance Sheet

As at December 31, 1987

Assets

	1987	1986
Assets with The Sinking Fund Trustees — at cost		
Investment in Debentures - at cost	$ —	$19,830
Call Loans - City of Winnipeg	32,500	10,500
Accrued Interest	—	729
Cash	718	736
	$33,218	$31,795

Liabilities

Pension Reserve	$31,899	$30,495
Due to Employee Benefits Board	1,319	1,300
	$33,218	$31,795

Statement of Reserve

For the Year Ended December 31, 1987

	1987	1986
Opening Balance	$30,495	$28,786
ADD		
Contributions—City of Winnipeg	6,281	6,281
Investment Income	1,933	2,388
Net Gain on Sale of Securities	170	—
	8,384	8,669
LESS: Administration Expenses	1,319	1,300
Net Change	7,065	7,369
Amount available for pension purposes	37,560	36,155
DEDUCT		
Pension Payments	5,661	5,660
Closing Balance	$31,899	$30,495

Auditor's Report

To the Mayor and Members
of City Council
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg—Council Members' (Pre-1972) Pension Fund as at December 31, 1987 and the statement of reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg—Council Members' (Pre-1972) Pension Fund as at December 31, 1987 and the changes in statement of reserve for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

L. G. Barker

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1988

Financial Statistics and Debenture Debt Information

The City of Winnipeg
Financial Statistics, etc.
As at December 31, 1987

Debenture Debt Supported by Taxation	GROSS DEBT	SINKING FUND (Notes 4 & 5)	NET DEBT	%
City at Large				
Schools [See Notes (1), (2), (3)]	$ 238,000.00	$ —	$ 238,000.00	0
All Other purposes	381,110,194.10	82,057,780.14	299,052,413.96	65.5
	381,348,194.10	82,057,780.14	299,290,413.96	65.5
Local Improvements				
Property Owner's share	666,478.07	287,621.30	378,856.77	.1
Total Supported by Taxation	382,014,672.17	82,345,401.44	299,669,270.73	65.6
City Owned Utilities				
Hydro Electric System	67,964,325.08	28,006,374.94	39,957,950.14	8.7
Steam Heating System	19,000.00	—	19,000.00	.0
Transit System	22,228,462.13	7,813,197.09	14,415,265.04	3.1
Waterworks System	48,923,996.12	19,683,396.74	29,240,599.38	6.4
Sewage Disposal System	84,948,117.18	11,062,209.47	73,885,907.71	16.2
Total City Owned Utilities	224,083,900.51	66,565,178.24	157,518,722.27	34.4
Total December 31, 1987	$606,098,572.68	$148,910,579.68	$457,187,993.00	100.0
Total January 1, 1987	$614,463,339.35	$183,414,334.76	$431,049,004.59	

NOTES (1) Only former City of Winnipeg had issued school debt under its own Municipal credit.
(2) Annual Service Charges are responsibility of Provincial Government.
(3) Excludes all school debt issued directly by Area School Boards and Divisions.
(4) An additional $14,121,063.60 is provided for by Foreign Exchange in Sinking Fund for equivalent U.S. Dollars to retire debt at maturity.
(5) Does not include $416,220.89 to provide for interest payment at maturity re By-Law 4247/86.

Serial and Instalment Debentures	$ 69,139,572.68
Sinking Fund Debentures	536,959,000.00
	$606,098,572.68

Debentures Guaranteed by City	
Winnipeg Enterprises Corporation	$ 7,631,000.00

Capital Expenditures Unfunded (Floating Debt)		
Supported by taxation		$ 84,573,803
City Owned Utilities		
Hydro Electric System	$ 12,489,082	
Steam Heating System	233,630	
Transit System	3,883,262	
Water Works System	812,633	
Sewage Disposal System	13,604,172	31,022,779
		$115,596,582

Operating Results for Year	Revenue	Expenditure Inc. Debt Charges	Surplus
General (i)	$748,988,002	$744,858,550	$ 4,129,452
Hydro Electric System	91,890,997	77,370,979	14,520,018
Steam Heating (ii)	4,270,750	4,270,750	—
Transit System (iii)	69,430,758	69,430,758	—
Waterworks System	39,045,872	34,644,189	4,401,683
Sewage Disposal System	34,479,165	29,613,154	4,866,011
Ambulance Service (iv)	6,725,454	6,725,454	—
	$994,830,998	$966,913,834	$27,917,164

(i) Revenue and Expenditures includes $241,007,472 collected on behalf of and paid to school authorities and revenue includes contribution from Hydro Electric System of $12,500,000.
(ii) Revenue includes contribution from Hydro Electric System - $1,056,009
(iii) Revenue includes appropriation from General Levy - $18,795,734.
(iv) Revenue includes appropriation from General Levy - $1,821,148.

The City of Winnipeg
Financial Statistics, etc.
As at December 31

	1987	1986	1985	1984	1983
Tax Collections and Arrears (including certificates and titles)					
Taxes to collect					
Current levy for all purposes	$ 509,435,225	$ 482,972,275	$ 451,530,424	$ 430,185,421	$ 405,121,754
Arrears forward—inc. penalties	40,195,775	40,415,707	34,284,401	37,685,605	37,384,187
Total	$ 549,631,000	$ 523,387,982	$ 485,814,825	$ 467,871,026	$ 442,505,941
Collections for year					
Current levy	$ 488,246,904	$ 462,770,098	$ 431,120,103	$ 409,165,680	$ 385,443,923
Arrears	27,950,838	24,898,855	18,120,176	21,384,526	22,492,453
Total	$ 516,197,742	$ 487,668,953	$ 449,240,279	$ 430,550,206	$ 407,936,377
Arrears December 31					
Gross arrears—fully reserved	$ 33,433,258	$ 35,719,029	$ 36,574,546	$ 37,320,820	$ 34,569,564
Percentages					
Total collections to current levy	101.33%	100.97%	99.49%	100.08%	100.69%
Current levy collections to current levy	95.84%	95.82%	95.48%	95.11%	95.14%
Total collections to total to collect	93.92%	93.18%	92.47%	92.02%	92.19%
Current tax levy—per capita	$ 822.83	$ 783.86	$ 738.19	$ 711.49	$ 677.73
Assessments*					
Land—100% of assessed value	$2,667,949,730	$ 411,465,830	$ 410,583,190	$ 407,421,720	$ 404,898,520
Buildings—66 2/3% of assessed value	4,411,564,570	1,436,831,660	1,410,184,490	1,377,228,450	1,353,891,610
Personal Property—100% of assessed value	$ 63,601,530	$ 32,440,770	31,091,220	29,672,940	28,798,370
Total	$7,143,115,830	$1,880,738,260	$1,851,858,900	$1,814,323,110	$1,787,588,500
Exemptions (not included in above)	$1,603,455,530	$ 464,723,930	$ 459,719,850	$ 458,241,621	$ 457,338,470
Business Assessment—annual rental value	$ 269,894,910	$ 255,396,470	$ 251,020,138	$ 246,111,712	$ 241,166,938
Assessment (inc. business)—per capita	$ 11,973	$ 3,467	$ 3,437	$ 3,407	$ 3,394
Population	619,124	616,107	611,732	604,627	597,760
Area of City in Square Miles	218.4	218.4	218.4	218.4	218.4

* A general reassessment was completed for the 1987 taxation year.

The City of Winnipeg
Table of Financial Statistics & Selected Ratios

As at December 31

	1987	1986	1985	1984	1983
Total Debenture Debt ($000's) (1)	606,099	614,463	567,073	536,125	502,892
Net Tax Supported Debenture Debt ($000's) (2)	313,847	304,409	269,086	251,076	233,722
Debenture Debt per Capita:					
Total ($)	979	997	927	887	841
Net ($)	507	494	440	415	391
Estimated Market Value of Taxable Assessment ($000's) (3)	19,000,000	16,300,000	16,277,000	16,196,000	15,603,000
Debenture Debt as a % of Estimated Market Value of Taxable Assessment:					
Total (%)	3.2	3.8	3.5	3.3	3.2
Net (%)	1.7	1.9	1.7	1.6	1.5
Combined Revenues ($000's) (4)	719,651	689,393	670,437	630,435	595,708
Net Combined Revenues ($000's) (5)	563,520	536,086	527,093	493,991	460,308
Total Debenture Debt as a % of Combined Revenues	84.2	89.1	84.6	85.0	84.4
Net Debenture Debt as a % of Net Combined Revenues	55.7	56.8	51.1	50.8	50.8
Gross Debt Charges ($000's) (6)	84,045	88,782	80,983	75,151	77,989
Gross Debt Charges as a % of Combined Revenues	11.7	12.9	12.1	11.9	13.1
Net Debt Charges ($000's) (7)	59,691	62,634	56,519	51,922	54,497
Net Debt Charges as a % of Net Combined Revenues	10.6	11.7	10.7	10.5	11.8
Average Debenture Interest Rate (%)	9.67	9.64	10.90	10.77	10.43
Currency Payable In (%)					
Canadian Dollars	84.00	76.75	56.88	53.33	48.92
U.S. Dollars	16.00	23.25	43.12	46.67	49.75
Deutsche Marks (West German)	—	—	—	—	1.33
Pattern of Debt Maturity (%)					
1 - 5 years	51.3	49.6	56.3	54.8	55.4
6 - 10 years	41.6	42.9	21.7	23.8	18.8
over 10 years	7.1	7.5	22.0	21.4	25.8
Average Maturity (Years)	5.3	6.4	5.7	6.4	7.1

NOTES:

(1) Total Debenture Debt is Gross Debt outstanding for all Municipal Purposes (Tax-Supported and City-owned Utilities and debt issued for Winnipeg School Division No. 1 by the former City of Winnipeg).
(2) Net Tax-Supported Debt is Gross Debt less accumulated Sinking Funds, less City-owned Utilities (except Transit System) net of Sinking Fund, and less Debentures issued for Winnipeg School Division No. 1.
(3) In computing Estimated Market Value, Taxable Assessments (including Grants in lieu of Taxes) are first adjusted to 100% of assessed value before converting.
(4) Combined Revenues are comprised of General Revenues, including Ambulance Service and City-owned Utilities, but exclude revenues collected on behalf of School authorities.
(5) Net Combined Revenues are Combined Revenues shown in (4) but exclude revenues for Hydro, Steam, Waterworks & Sewage Disposal Utilities
(6) Gross Debt Charges are annual cash requirements for Interest, Principal and Sinking Fund levies on Total Debenture Debt as defined in (1) above
(7) Net Debt Charges are annual cash requirements for Interest, Principal and Sinking Fund levies on Net Tax-Supported Debt as defined in (2) above

Debenture Debt Financial and Statistical Statements

On the coming into force of The City of Winnipeg Act on January 1, 1972, the new City assumed responsibility for the debenture debt of the following predecessor Municipal entities

—R.M. of Charleswood
—R.M. of Fort Garry
—R.M. of Old Kildonan
—City of St. James-Assiniboia
—City of Transcona
—City of West Kildonan
—City of East Kildonan
—R.M. of North Kildonan
—City of St. Boniface
—City of St. Vital
—Town of Tuxedo
—City of Winnipeg
—Metropolitan Corporation of Greater Winnipeg, including
—Greater Winnipeg Sanitary District
—Greater Winnipeg Water District
—Greater Winnipeg Transit Commission

The gross Debenture Debt of the City as at December 31, 1987 amounted to $606,098,572.68 as follows:

Gross Debenture Debt as at January 1, 1987	$614,463,339.35
Debenture Debt issued by the City in 1987	60,000,000.00
Debenture Debt retired in 1987	(68,364,766.67)
Gross Debenture Debt as at December 31, 1987	$606,098,572.68

Composition of this debt is as follows

Sinking Fund	$536,959,000.00
Serial and Instalment	69,139,572.68
	$606,098,572.68

The City of Winnipeg Act provides for the appointment of a Board of Sinking Fund Trustees consisting of four trustees, composed of the City Treasurer and three trustees appointed by the Lieutenant Governor in Council. This board administers such sinking funds as are required to be maintained in respect to any debentures of the City. At the inception of the unified City of Winnipeg the Board of Trustees had vested in it the assets and liabilities of the former Sinking Fund Trustees of the City of Winnipeg, the former Sinking Fund Committee of the Metropolitan Corporation of Greater Winnipeg and the former Sinking Fund Trustees of the City of St. Boniface. . . the only municipal entities in the unification who had issued Sinking Fund Debentures.

The provisions of The City of Winnipeg Act require that in the case of Sinking Fund Debentures, there shall be paid over to the Sinking Fund Trustees on each anniversary date until maturity an amount which, together with calculated interest thereon at a rate not exceeding 10% per annum, will be sufficient to retire the debt at maturity. There is, however, an exception permitted in that when sinking fund debentures are issued for purposes of the Transit System, Waterworks System or Sewage Disposal System, a sinking fund of 1% of the original amount of the debentures is permissible, or if the debentures are for any other purpose and the term is less than 22 years, a sinking fund of 3% of the original amount of the debentures may be provided.

All sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%, with the exception of the following: (a) In 1984 under By-law 3807/84, the City issued $50 million, 7 year sinking fund debentures under the 1% and 3% levy provision. This will create a sinking fund deficiency that will require refinancing. (b) In 1985 under By-law 4025/85, the City issued $50 million, 5 year sinking fund debentures under the 3% levy provision. This will create a sinking fund deficiency that will require refinancing. (c) In 1986 under By-laws 4246/86, 4247/86 and 4347/86 the City issued a total of $158,553,000 in sinking fund debentures under the 3% levy provision. All three of these debenture issues will require refinancing. (d) In 1987 under By-law 4510/87 The City issued $60 million, 5 year sinking fund debentures under the 3% levy provision. This will create a sinking fund deficiency that will require refinancing.

The Sinking Fund Trustees are also empowered, under the City of Winnipeg Act, to administer such other funds as the Council may direct. At present, the trustees are administering the sinking fund for the redemption of debentures issued by the Winnipeg Enterprises Corporation.

In the case of serial and instalment debt, The City of Winnipeg Act requires the raising of sufficient money to pay the principal amount of debt falling due in that year.

The net debenture debt of the City as at December 31, 1987 totalled $457,187,993.00 comprised as follows:

	Supported by Taxation	Utilities	Total
Gross	$382,014,672.17	$224,083,900.51	$606,098,572.68
Less Sinking Funds	82,345,401.44	66,565,178.24	148,910,579.68
Net	$299,669,270.73	$157,518,722.27	$457,187,993.00

Summary of Debenture Debt and Sinking Fund

As at December 31, 1987

Description	DEBENTURE DEBT Gross	Sinking Fund (Notes 1 & 5)	Net	1988 FIXED ANNUAL CHARGES (Note 2) Interest (Note 3)	Principal	Total
SUPPORTED BY TAXATION						
City at Large						
General (other than local improvements)	$380,895,729.38	$ 81,155,008.51	$299,740,720.87	$37,465,098.63	$16,462,011.33	$53,927,109.96
Local Improvements—City's Share	214,464.72	155,696.48	58,768.24	18,369.89	19,014.23	37,384.12
	381,110,194.10	81,310,704.99	299,799,489.11	37,483,468.52	16,481,025.26	53,964,494.08
Unallocated Surplus	—	747,075.15	(747,075.15)	—	—	—
	381,110,194.10	82,057,780.14	299,052,413.96	37,483,468.52	16,481,025.56	53,964,494.08
Public School Board (Note 4) (not including Direct issues)	238,000.00	—	238,000.00	13,685.00	238,000.00	251,685.00
Total City at Large	381,348,194.10	82,057,780.14	299,290,413.96	37,497,153.52	16,719,025.56	54,216,179.08
Self Supporting Local Improvements—Property Owners' Share	666,478.07	287,621.30	378,856.77	53,148.64	149,641.82	202,790.46
TOTAL SUPPORTED BY TAXATION	382,014,672.17	82,345,401.44	299,669,270.73	37,550,302.16	16,868,667.38	54,418,969.54
CITY OWNED UTILITIES	67,964,325.08	28,006,374.94	39,957,950.14	6,615,691.63	2,316,017.04	8,931,708.67
Hydro Electric System	19,000.00	—	19,000.00	1,092.50	19,000.00	20,092.50
Steam Heating System	22,228,462.13	7,813,197.09	14,415,265.04	2,048,425.06	724,075.86	22,722,500.92
Transit System (Note 4)	48,923,996.12	19,683,396.74	29,240,599.38	4,582,209.96	1,935,026.63	6,517,236.59
Water Works System	84,948,117.18	11,062,209.47	73,885,907.71	7,785,683.09	2,843,282.94	10,628,966.03
Sewage Disposal System	224,083,900.51	66,565,178.24	157,518,722.27	21,033,102.24	7,837,402.47	28,870,504.71
TOTAL CITY OWNED UTILITIES	$606,098,572.68	$148,910,579.68	$457,187,993.00	$58,583,404.40	$24,706,069.85	$83,289,474.25
GRAND TOTAL						

Notes (1) An additional $14,121,063.60 is provided for Foreign Exchange in Sinking Fund for equivalent U.S. Dollars to retire debt at maturity.

(2) Fixed annual charges shown are on a 'Cash Basis' and not 'Accrual Basis'.

(3) As a result of the pro rata allocation by purpose of debt schedules on subsequent pages, there may be some minor distortions in arithmetic interest calculations.

(4) In computing its Net Tax Supported Debenture Debt for purposes of financial ratios and prospectus filings, the City considers debt issued on behalf of the Transit System as Tax-Supported Debt. In addition outstanding debenture debt of the Winnipeg School Division No. 1 is excluded because such debt is serviced by the Province of Manitoba.

(5) Does not include $416,220.89 to provide for interest payment at maturity re By-Law 4247/86.

Debenture Debt—Maturity by Years

Maturity Year	Sinking Fund Debt	Serial and Instalment Debt	Total	%
1988	$ 30,500,000.00	$ 7,670,444.75	$ 38,170,444.75	6.3
1989	24,446,000.00	7,353,038.69	31,799,038.69	5.3
1990	92,500,000.00 *	7,828,005.77	100,328,005.77	16.6
1991	60,260,000.00 **	5,898,068.66	66,158,068.66	10.9
1992	68,000,000.00 ***	5,923,796.80	73,923,796.80	12.2
1993	50,753,000.00 ****	5,007,571.00	55,760,571.00	9.2
1994	10,500,000.00	4,902,223.34	15,402,223.34	2.5
1995	10,000,000.00	5,086,592.55	15,086,592.55	2.5
1996	160,000,000.00 *****	3,180,473.92	163,180,473.92	26.9
1997	—	2,990,320.74	2,990,320.74	.5
1998	30,000,000.00	3,056,422.95	33,056,422.95	5.5
1999	—	3,068,069.36	3,068,069.36	.5
2000	—	1,389,527.04	1,389,527.04	.2
2001	—	765,263.24	765,263.24	.1
2002	—	789,178.32	789,178.32	.1
2003	—	860,633.04	860,633.04	.1
2004	—	593,274.53	593,274.53	.1
2005	—	649,816.33	649,816.33	.1
2006	—	469,255.08	469,255.08	.1
2007	—	427,261.63	427,261.63	.1
2008	—	472,690.29	472,690.29	.1
2009	—	522,955.92	522,955.92	.1
2010	—	234,688.73	234,688.73	—
GROSS DEBT	$536,959,000.00	$ 69,139,572.68	$606,098,572.68	100.0%
Less Sinking Fund Reserve			148,910,579.68	
NET DEBT			$457,187,993.00	

* Of the $92,500,000 Sinking Fund Debt that matures in 1990, $68,093,649.49 will have to be refinanced.

** Of the $60,260,000 Sinking Fund Debt that matures in 1991, $38,275,507.83 will have to be refinanced.

*** Of the $68,000,000 Sinking Fund Debt that matures in 1992, $50,053,863.75 will have to be refinanced.

**** Of the $50,753,000 Sinking Fund Debt that matures in 1993, $32,688,011.24 will have to be refinanced.

***** Of the $160,000,000 Sinking Fund Debt that matures in 1996, $52,926,374.01 will have to be refinanced.

Annual Debenture Debt Service Charges

On Existing Debt as at December 31, 1987

Year	TAX SUPPORTED (Including Transit System)			SELF SUPPORTING UTILITIES (Hydro, Steam, Water Works & Sewage Disposal)			
	Principal	Interest	Sub-Total	Principal	Interest	Sub-Total	Total
1988	$ 17,592,743.24	$ 39,598,727.22	$ 57,191,470.46	$ 7,113,326.61	$ 18,984,677.18	$ 26,098,003.79	$ 83,289,474.25
1989	15,838,523.78	37,741,867.72	53,580,391.50	6,573,779.83	18,399,614.04	24,973,393.87	78,553,785.37
1990	15,848,037.34	36,103,157.23	51,951,194.57	6,317,406.02	17,690,491.22	24,007,897.24	75,959,091.81
1991	11,929,777.41	29,045,073.65	40,974,851.06	5,500,083.64	14,738,322.46	20,238,406.10	61,213,257.16
1992	10,490,810.44	23,165,413.51	33,656,223.95	5,177,669.90	12,990,303.55	18,167,973.45	51,824,197.40
1993	8,163,464.49	16,941,932.15	25,105,396.64	4,174,732.63	9,903,835.02	14,078,567.65	39,183,964.29
1994	6,633,130.37	14,288,007.52	20,921,137.89	4,050,684.33	9,270,671.31	13,321,355.64	34,242,493.53
1995	6,819,822.37	13,626,069.35	20,445,891.72	3,730,814.38	8,470,743.43	12,201,557.81	32,647,449.53
1996	5,137,941.81	10,847,959.97	15,985,901.78	3,204,150.44	6,187,067.57	9,391,218.01	25,377,119.79
1997	1,964,297.33	2,533,449.68	4,497,747.01	1,548,286.35	1,869,809.61	3,418,095.96	7,915,842.97
1998	1,762,055.50	1,388,656.09	3,150,711.59	1,622,630.39	1,270,617.64	2,893,248.03	6,043,959.62
1999	1,164,332.72	244,027.65	1,408,360.37	1,324,734.46	663,267.48	1,988,001.94	3,396,362.31
2000	84,539.60	154,918.52	239,458.12	1,304,987.44	538,828.00	1,843,815.44	2,083,273.56
2001	93,204.91	146,253.21	239,458.12	672,058.33	416,173.11	1,088,231.44	1,327,689.56
2002	102,758.40	136,699.72	239,458.12	686,419.92	356,806.24	1,043,226.16	1,282,684.28
2003	113,291.14	126,166.98	239,458.12	747,341.90	295,884.26	1,043,226.16	1,282,684.28
2004	124,903.48	114,554.64	239,458.12	468,371.05	229,431.26	697,802.31	937,260.43
2005	137,706.09	101,752.03	239,458.12	512,110.24	185,691.75	697,801.99	937,260.11
2006	151,820.96	87,637.16	239,458.12	317,434.12	137,751.67	455,185.79	694,643.91
2007	167,382.61	72,075.51	239,458.12	259,879.02	103,972.55	363,851.57	603,309.69
2008	184,539.33	54,918.79	239,458.12	288,150.96	75,700.61	363,851.57	603,309.69
2009	203,455.50	36,003.51	239,459.01	319,500.42	44,352.02	363,852.44	603,311.45
2010	147,798.23	15,149.32	162,947.55	86,890.50	9,591.76	96,482.26	259,429.81
	$104,856,337.05	$226,570,471.13	$331,426,808.18	$56,001,442.88	$122,833,603.74	$178,835,046.62	$510,261,854.80

NOTES
(1) Fixed annual charges are on a 'Cash Basis' and not 'Accrual Basis'.
(2) Principal includes annual Levies paid to Sinking Fund.

Debenture Debt
Summary of Maturities by Purposes

Maturity Year	General Inc. City's Share L.I.	Ratepayers' Share Local Imp.	Schools	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	Total
1988	$ 23,507,726.96	$245,027.21	$238,000.00	$ 2,639,000.00	$19,000.00	$ 4,500,000.00	$ 5,373,540.75	$ 1,648,149.83	$ 38,170,444.75
1989	15,549,592.27	270,541.43	—	4,825,325.08	—	2,000,000.00	3,650,734.94	5,502,844.97	31,799,038.69
1990	60,489,521.49	69,004.47	—	5,000,000.00	—	9,060,000.00	3,403,731.26	22,305,748.55	100,328,005.77
1991	49,232,731.02	81,904.96	—	11,000,000.00	—	—	2,140,642.70	3,702,789.98	66,158,068.66
1992	38,381,435.98	—	—	12,000,000.00	—	3,500,000.00	4,944,689.41	15,097,671.41	73,923,796.80
1993	52,108,129.15	—	—	-	—	—	2,476,662.05	1,175,779.80	55,760,571.00
1994	3,806,666.30	—	—	10,000,000.00	—	—	343,738.44	1,251,818.60	15,402,223.34
1995	8,508,479.59	—	—	—	—	—	2,872,113.46	3,705,999.50	15,086,592.55
1996	102,790,497.50	—	—	20,500,000.00	—	3,168,462.13	18,755,520.51	17,965,993.78	163,180,473.92
1997	1,744,460.26	—	—	—	—	—	368,386.93	877,473.55	2,990,320.74
1998	21,736,218.43	—	—	2,000,000.00	—	—	3,901,355.55	5,418,848.97	33,056,422.95
1999	1,743,334.90	—	—	—	—	—	339,040.97	985,693.49	3,068,069.36
2000	84,539.60	—	—	—	—	—	353,839.15	951,148.29	1,389,527.04
2001	93,204.91	—	—	—	—	—	—	672,058.33	765,263.24
2002	102,758.40	—	—	—	—	—	—	686,419.92	789,178.32
2003	113,291.14	—	—	—	—	—	—	747,341.90	860,633.04
2004	124,903.48	—	—	—	—	—	—	468,371.05	593,274.53
2005	137,706.09	—	—	—	—	—	—	512,110.24	649,816.33
2006	151,820.96	—	—	—	—	—	—	317,434.12	469,255.08
2007	167,382.61	—	—	—	—	—	—	259,879.02	427,261.63
2008	184,539.33	—	—	—	—	—	—	288,150.96	472,690.29
2009	203,455.50	—	—	—	—	—	—	319,500.42	522,955.92
2010	147,798.23	—	—	—	—	—	—	86,890.50	234,688.73
	$381,110,194.10	$666,478.07	$238,000.00	$67,964,325.08	$19,000.00	$22,228,462.13	$48,923,996.12	$84,948,117.18	$606,098,572.68

Debenture Debt Changes 1987

Gross Debt as at January 1, 1987			$614,463,339.35
DEBT ISSUED DURING 1987			
Tax Supported Debt			
Street and Bridge System	$12,700,000.00		
Land Drainage	3,850,000.00		
Solid Waste Disposal	140,000.00		
Culture and Recreation	2,430,000.00		
Protection	1,165,000.00		
Health and Social Development	545,000.00		
Civic Accomodations	700,000.00		
Core Area Initiative	4,470,000.00		
North Portage Development	4,000,000.00	$30,000,000.00	
Utilities Debt			
Hydro Electric System	12,000,000.00		
Transit System	3,500,000.00		
Waterworks System	500,000.00		
Sewage Disposal System	14,000,000.00	30,000,000.00	60,000,000.00
			674,463,339.35
DEBT RETIRED DURING 1987			
Tax Supported Debt			
Local Improvements—City's Share	235,262.49		
Local Improvements—Property Owners' Share	10,804,065.15	11,039,327.64	
Streets & Bridge System	15,345,419.88		
Land Drainage	4,900,976.59		
Solid Waste Disposal	274,380.36		
Culture & Recreation	18,184,699.06		
Protection	1,486,458.60		
Health & Social Development	133,333.40		
General Government	907,835.89		
Downtown Parking	1,066,666.70		
Convention Centre	609,012.06		
Centennial Centre	900,000.00		
Civic Accomodations	591,977.82		
City Developments/Development Agreements	66,666.70		
Old Market Square	139,131.86		
Overhead Walkways	12,456.06	44,619,014.98	
Schools		224,000.00	
Utilities Debt			
Hydro Electric System	37,000.00		
Steam Heating System	18,000.00		
Water Works System	7,071,665.39		
Sewage Disposal System	5,355,758.66	12,482,424.05	68,364,766.67
Gross Debt as at December 31, 1987			$606,098,572.68

The City of Winnipeg Debenture Debt Issues

As at December 31, 1987

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
THE CITY OF WINNIPEG							
Sinking Fund Debt							
1978-88	Feb. 1	9	1852/78	R.B.	Any Branch in Canada	$13.000.000.00	$ 13.000.000.00
1974-89	Nov. 1	8¾	749/74	R.B.	Any Branch in Canada	266.000.00	
1974-89	Nov. 1	10¾	800/74	R.B.	Any Branch in Canada	2.210.000.00	2.476.000.00
1985-90	July 16	10 5/8	4025/85	Orion Royal	London PR P.A.	50.000.000.00	
1986-90	Dec. 1	9 3/8	4246/86	R.B.	W.	30.300.000.00	80.300.000.00
1984-91	Sept. 30	12¾	3807/84	Orion Royal	London PR. P.A.	50.000.000.00	50.000.000.00
1987-92	Feb. 24	9	4510/87	Orion Royal	London PR. P.A.	60.000.000.00	
1982-92	Dec. 31	12¾	3327/82	R.B.	Any Branch in Canada	7.500.000.00	67.500.000.00
1986-93	May 1	9.40	4247/86	BOT	London	43.253.000.00	
1973-93	June 1	8 1/8	383/73	B. of M.	Any Branch in Canada	7.000.000.00	50.253.000.00
1974-94	Apr. 1	8¾	585/74	R.B.	Any Branch in Canada	10.000.000.00	10.000.000.00
1975-95	Mar. 17	9¾	885/75	R.B.	Any Branch in Canada	10.000.000.00	10.000.000.00
(C) 1976-91/96	Mar. 1	9¼	1158/76	B. of M.	N.Y.	50.000.000.00	
(E) 1980-88/96	May 16	14	2622/80	R.B.	Any Branch in Canada	25.000.000.00	
1986-96	Aug. 1	9¾	4347/86	R.B.	Any Branch in Canada	85.000.000.00	160.000.000.00
1978-98	Feb. 1	9¾	1853/78	R.B.	Any Branch in Canada	30.000.000.00	30.000.000.00
							$473.529.000.00
Serial & Instalment Debt							
1980-90	Dec. 31	13½	2835/80	R.B.	Any Branch in Canada	$ 5.722.000.00	
1982-92	Dec. 31	12 3/8	3326/82	R.B.	Any Branch in Canada	4.813.000.00	
(C) 1973-93	Mar. 23	6.98	685/74	R.B.	W.	833.804.42	
1983-93	Dec. 15	6 3/8	3614/83	R.B.	W.O.	99.861.17	
1974-94	Aug. 1	10¾	750/74	R.B.	Any Branch in Canada	3.500.000.00	
1980-95	Dec. 31	13½	2834/80	R.B.	Any Branch in Canada	8.238.000.00	
1979-99	Jan. 23	9¾	2179/79	B. of M.	N.Y.	19.999.997.50	
(C) 1979-99	Feb. 1	10	2316/79	R.B.	W.O.	293.414.24	
(C) 1979-99	Apr. 1	9 5/8	2402/79	R.B.	W.O.	413.640.74	
(C) 1979-99	Apr. 1	9 5/8	2403/79	R.B.	W.O.	131.130.42	
(C) 1980-2000	May 1	11	2675/80	R.B.	W.O.	446.449.99	
(C) 1980-2000	May 1	9½	2676/80	R.B.	W.O.	2.183.354.57	
(C) 1980-2000	June 1	9 5/8	2709/80	R.B.	W.O.	54.885.23	
(C) 1980-2000	June 1	10	2710/80	R.B.	W.O.	80.176.42	
(C) 1980-2000	Oct. 1	10	2813/80	R.B.	W.O.	2.263.875.03	
(C) 1973-2003	Jan. 1	8¼	597/74	R.B.	W.O.	57.894.53	
(C) 1973-2003	June 1	8¼	598/74	R.B.	W.O.	2.467.733.21	
(C) 1973-2003	Jan. 1	7¾	599/74	R.B.	W.O.	40.962.20	
(C) 1973-2003	Jan. 1	7½	600/74	R.B.	W.O.	62.482.57	
(C) 1973-2003	Jan. 1	7¼	601/74	R.B.	W.O.	194.460.86	
(C) 1973-2003	Jan. 1	7½	602/74	R.B.	W.O.	50.690.62	
(C) 1973-2003	Dec. 1	8¼	684/74	R.B.	W.O.	122.177.31	
(C) 1975-2005	Apr. 1	7½	996/75	R.B.	W.O.	362.873.92	
(C) 1975-2005	Apr. 1	7 7/8	997/75	R.B.	W.O.	571.837.52	
(C) 1975-2005	Apr. 1	7½	998/75	R.B.	W.O.	32.444.03	
(C) 1975-2005	Nov. 1	7½	1292/76	R.B.	W.O.	1.348.665.31	
(C) 1976-2006	Jan. 1	8	1293/76	R.B.	W.O.	49.413.73	
(C) 1976-2006	Feb. 1	10¾	1294/76	R.B.	W.O.	453.845.36	
(C) 1976-2006	Dec. 1	8	1482/77	R.B.	W.O.	137.403.26	
(C) 1976-2006	Dec. 1	8	1483/77	R.B.	W.O.	129.313.88	
(C) 1979-2009	Jan. 1	10 3/8	2476/79	R.B.	W.O.	1.195.599.19	
(C) 1979-2009	Apr. 1	10¾	2401/79	R.B.	W.O.	1.016.737.24	
(C) 1979-2009	June 1	10	2424/79	R.B.	W.O.	659.216.07	
(C) 1980-2010	Jan. 1	10	2581/80	R.B.	W.O.	1.421.223.96	
(C) 1980-2010	June 1	10¾	2708/80	R.B.	W.O.	795.399.07	$ 60.243.963.57
GROSS DEBT (The City of Winnipeg)							$533.772.963.57

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
CITY OF WINNIPEG (Former)							
Sinking Fund Debt							
(C) 1968-83/88	Jan. 2	6¾	19488	B. of M.	N.Y.	3,000,000.00	
1968-88	June 1	7½	19573	B. of M.	W.H.M.T.L.R.E.C.V.V.	2,000,000.00	5,000,000.00
1969-89	May 1	8¼	19679	B. of M.	W.H.M.T.L.R.E.C.V.V.	500,000.00	
(C) 1964-84/89	Nov. 1	4¾	19050	B. of M.	N.Y.	6,500,000.00	7,000,000.00
1970-90	Dec. 1	9¼	19775	B. of M.	W.H.M.T.L.R.E.C.V.V.	3,000,000.00	3,000,000.00
1971-91	June 15	8½	19829	B. of M.	W.H.M.T.L.R.E.C.V.V.	1,560,000.00	
1971-91	Dec. 1	7¾	19852	B. of M.	W.H.M.T.L.R.E.C.V.V.	5,000,000.00	6,560,000.00
Serial & Instalment Debt							$21,560,000.00
1963-88	Oct. 1	5½&5¾	18869	B. of M.	W.H.M.T.L.R.E.C.V.V.	$ 598,000.00	
(C) 1966-91	Feb. 1	5 3/8	19230	B. of M.	W.	121,112.14	
(C) 1966-91	Apr. 1	5 3/8	19297	B. of M.	W.	74,289.71	
(C) 1966-91	June 1	5¼	19321	B. of M.	W.	65,297.87	
(C) 1966-91	June 1	5 3/8	19322	B. of M.	W.	86,639.89	
(C) 1966-91	Aug. 1	5 3/8	19336	B. of M.	W.	304,086.63	
(C) 1966-91	Oct. 1	5 3/8	19351	B. of M.	W.	509,358.30	
(C) 1966-91	Dec. 1	5 5/8	19363	B. of M.	W.	70,385.58	$ 1,829,170.12
GROSS DEBT (Former City of Winnipeg)							$23,389,170.12

(C) Callable
(E) Extended/Extendible

R.B.	Royal Bank of Canada
B. of M.	Bank of Montreal
C.I.B.C.	Canadian Imperial Bank of Commerce
B. of N.S.	Bank of Nova Scotia
T.D.	Toronto-Dominion Bank
B.C.N.	Banque Canadienne Nationale
B. of M. Trust Co.	Bank of Montreal Trust Co., New York
Orion Royal	Orion Royal Bank Limited
BOT	Bank of Tokyo

W.	Winnipeg
H.	Hamilton
M.	Montreal
L.	London
T.	Toronto
R.	Regina
E.	Edmonton
C.	Calgary
V.	Vancouver
V.V.	Vancouver, Victoria
N.Y.	New York
W.O.	Winnipeg, Ottawa

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
THE METROPOLITAN CORPORATION OF GREATER WINNIPEG							
Sinking Fund Debt							
(C) 1968-83/88	May 1	7¼	1308	BofM Trust Co	N.Y.	$3,000,000.00	
(C) 1968-85/88	Dec. 1	7½	1421	BofM Trust Co	N.Y.	5,000,000.00	
1963-88	Dec. 2	5½	514	R.B.	Any Branch in Canada	4,000,000.00	12,000,000.00
1964-89	May 1	5½	579	T.D.	Any Branch in Canada	4,970,000.00	
1969-89	July 1	8	1533	BofM Trust Co	N.Y.	5,000,000.00	
(C) 1964-84/89	Oct. 1	4¾	710	BofM Trust Co	N.Y.	4,500,000.00	14,470,000.00
1970-90	Feb.1	9½	1633	T.D.	Any Branch in Canada	2,500,000.00	
1965-90	Apr. 1	5½	814	B. of N.S.	Any Branch in Canada	2,200,000.00	
1970-90	Oct. 1	9¼	1719	B. of N.S.	Any Branch in Canada	4,000,000.00	8,700,000.00
1971-91	Apr. 1	7½	1802	B. of M.	Any Branch in Canada	2,000,000.00	
1971-91	Nov. 1	8¼	1891	C.I.B.C.	Any Branch in Canada	1,200,000.00	3,200,000.00
							$38,370,000.00
Serial & Instalment Debt							
1963-93	May 1	5¼	386	C.I.B.C.	Any Branch in Canada	$1,078,000.00	
(C) 1963-93	Nov. 1	5 1/8	586	B. of M.	W.O.	40,988.45	
(C) 1964-94	Mar. 1	5 1/8	700	B. of M.	W.O.	52,170.61	
(C) 1964-94	Aug. 1	5 1/8	761	B. of M.	W.O.	350,365.99	
(C) 1964-94	Aug. 1	5 1/8	859	B. of M.	W.O.	233,367.08	
(C) 1964-94	Aug. 1	5½	860	B. of M.	W.O.	115,736.49	
(C) 1964-94	Dec. 1	5 3/8	900	B. of M.	W.O.	29,786.01	
(C) 1965-95	July 1	5 1/8	887	B. of M.	W.O.	2,371,582.39	
(C) 1965-95	July 2	5 3/8	8585	B. of M.	W.	76,693.25	
(C) 1965-95	Sept. 1	5 3/8	1032	B. of M.	W.O.	60,272.94	
(C) 1965-95	Sept. 1	5 1/8	1135	B. of M.	W.O.	477,687.73	
(C) 1965-95	Dec. 1	5 1/8	1033	B. of M.	W.O.	197,780.42	
1966-96	Mar. 1	6	1005	B. of M.	Any Branch in Canada	1,730,000.00	
(C) 1966-96	Apr. 1	5 3/8	1013	B. of M.	W.	143,380.84	
(C) 1966-96	Apr. 1	5 3/8	1013	B. of M.	W.	145,564.00	
(C) 1966-96	Oct. 1	5 3/8	1163	B. of M.	W.	146,020.50	
(C) 1967-97	Sept. 1	5 5/8	1243	B. of M.	W.	116,400.60	
(C) 1967-97	Dec. 1	5 1/8	1279	B. of M.	W.O.	26,058.34	
(C) 1967-97	Aug. 1	5 7/8	1280	B. of M.	W.O.	234,262.00	
(C) 1967-97	Dec. 1	5 1/8	1348	B. of M.	W.O.	16,614.38	
(C) 1968-98	Oct. 1	6¼	1443	B. of M.	W.O.	131,329.51	
(C) 1968-98	Nov. 1	5 5/8	1466	B. of M.	W.	790,937.10	
(C) 1969-99	May 1	6 3/8	1545	B. of M.	W.O.	173,208.10	
(C) 1970-2000	Jan. 1	6 7/8	1679	B. of M.	W.O.	22,872.94	
(C) 1970-2000	Jan. 1	6¼	1692	B. of M.	W.O.	141,901.32	
(C) 1970-2000	Oct. 1	6 7/8	1766	B. of M.	W.O.	203,848.52	
(C) 1971-2001	Sept. 1	8¼	1923	B. of M.	W.O.	362,147.60	$ 9,468,977.11
GROSS DEBT (Former Metropolitan corporation of Greater Winnipeg)							$47,838,977.11

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
RURAL MUNICIPALITY OF CHARLESWOOD							
1969-89	Nov. 1	8	1659	B. of M.	W.	$ 17,000.00	
1971-90	Dec. 1	8	1741	B. of M.	W.	10,000.00	$ 27,000.00
RURAL MUNICIPALITY OF FORT GARRY							
1971-91	Dec. 1	8¼	5485	R.B.	W.	$ 24,702.78	$ 24,702.78
CITY OF ST. BONIFACE							
1969-88	Dec. 31	7	4795B	B.C.N.	W.	$ 12,234.46	
1969-89	Oct. 1	7	4772B	B.C.N.	W.	43,000.00	
1970-89	Dec. 31	7	4853	B.C.N.	W.	3,823.85	
1971-90	Dec. 31	9	4892	B.C.N.	W.	3,892.28	
1971-90	Dec. 31	9	4893	B.C.N.	W.	5,329.08	
1971-90	Dec. 31	7	4897	B.C.N.	W.	42,430.92	
1971-90	Dec. 31	9	4904	B.C.N.	W.	13,946.83	$124,657.42
CITY OF ST. VITAL							
1968-88	Oct. 1	8	8137	C.I.B.C.	W.	$ 47,000.00	
1968-88	Dec. 31	8	8217	C.I.B.C.	W.	9,430.76	
1969-89	Dec. 31	9¼	8372	C.I.B.C.	W.	71,000.00	
1969-89	Dec. 31	8	8373	C.I.B.C.	W.	54,000.00	
1970-90	Mar. 31	9¼	8376	C.I.B.C.	W.	42,000.00	$223,430.76
CITY OF TRANSCONA							
1969-88	Dec. 1	8	37/69	T.D.	W.	$151,000.00	
1969-89	Dec. 1	8	104/69	T.D.	W.	42,000.00	
1970-90	Dec. 1	9¼	69/70	T.D.	W.	88,000.00	
1970-90	Dec. 1	9¼	70/70	T.D.	W.	87,000.00	$368,000.00
TOWN OF TUXEDO							
1968-88	July 1	8	1149	B. of M.	W.	$ 32,000.00	
1969-89	July 1	8	1180	B. of M.	W.	23,000.00	
1970-90	Dec. 1	9¼	1218/23	B. of M.	W.	109,000.00	
1971-91	July 1	9	1239B	B. of M.	W.	79,000.00	$243,000.00
CITY OF WEST KILDONAN							
1968-95	Dec. 1	NIL	16/68/B	R.B.	W.	$ 53,429.48	
1965-95	Dec. 31	6	68/66/B	R.B.	W.	$ 33,241.44	$ 86,670.92
GROSS DEBT (Other Areas)							$1,097,461.88
TOTAL DEBT							$606,098,572.68

General Debenture Debt

Purpose of Issue	By-Law No	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31 1987
Street and Bridge System										
(Street Improvements, Street Lighting, Bridges and Underpasses)	1308	$ 1,160,000.00	M	May 1, 1968-83/88	NY	4	7¼	$ 42,050.00	$ —	1,160,000.00(1)(6)
	514	700,000.00	M	Dec. 2, 1963-88	C	3½	5½	38,500.00	17,972.00	660,803.34
	579	810,000.00	M	May 1, 1964-89	C	3½	5½	44,550.00	20,796.00	733,406.16
	1533	2,350,000.00	M	July 1, 1969-89	NY	4	8	188,000.00	78,917.00	2,064,447.12(1)
	710	550,000.00	M	Oct. 1, 1964-84/89	NY	3½	4¼	26,125.00	14,121.00	490,861.71(1)
	1633	500,000.00	M	Feb. 1, 1970-90	C	4	9½	47,500.00	16,791.00	412,425.76
	814	1,200,000.00	M	Apr. 1, 1965-90	C	3½	5½	66,000.00	30,809.00	1,022,190.57
	4025/85	21,750,000.00	UW	July 16, 1985-90	Lon.	5	10 5/8	2,310,937.50	652,500.00	1,368,409.11
	1719	2,050,000.00	M	Oct. 1, 1970-90	C	4	9¼	189,625.00	68,843.00	1,647,677.21
	4246/86	8,300,000.00	UW	Dec. 1, 1986-90	C	5	9 3/8	778,125.00	249,000.00	250,057.50
	2835/80	497,904.83	UW	Dec. 31, 1980-90	C	Serial	13½	67,216.48	145,489.08	—
	1802	1,220,000.00	M	Apr. 1, 1971-91	C	4	7½	91,500.00	40,970.00	921,000.05
	3807/84	18,485,200.00	UW	Sept. 30, 1984-91	Lon.	5	12¾	2,356,863.00	554,556.00	1,770,270.83
	4510/87	12,700,000.00	UW	Feb. 24, 1987-92	Lon.	5	9	1,143,000.00	381,000.00	—
	3327/82	3,500,000.00	UW	Dec. 31, 1982-92	C	5	12¾	446,250.00	278,266.01	1,537,595.37
	386	235,000.00	M	May 1, 1963-93	C	Serial	5¼	11,418.75	35,000.00	—
	4247/86	23,600,000.00	UW	May 1, 1986-93	Lon.	5	9 3/8	2,218,661.70	708,000.00	731,761.89
	2834/80	8,238,000.00	UW	Dec. 31, 1980-95	C	Serial	13½	1,112,130.00	634,000.00	—
	1005	1,435,000.00	M	Mar. 1, 1966-96	C	Serial	6	82,380.00	124,000.00	—
	1158/76	6,230,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	576,275.00	188,411.32	2,788,555.01(1)
	2622/80	1,000,000.00	UW	May 16, 1980-96	C	5	14	140,000.00	50,000.00	419,871.09
	4347/86	6,779,881.65	UW	Aug. 1, 1986-96	C	5	9¾	661,038.46	203,396.45	207,631.57
	2179/79	11,193,998.60	UW	Jan. 23, 1979-99	NY	Serial	9¼	1,046,499.83	609,085.58	3,008,529.41(4)
		$134,490,985.08						$13,684,645.72	$5,101,923.44	$21,195,493.70
Land Drainage										
(Storm Water Relief Sewers, Drainage Sewers and Flood Control)	19573	$ 565,000.00	W	June 1, 1968-88	C	4	7½	$ 42,375.00	$ 18,973.69	$ 537,280.68
	18869	50,000.00	W	Oct. 1, 1963-88	C	Serial	5½ & 5¾	2,875.00	50,000.00	—
	19679	245,000.00	W	May 1, 1969-89	C	4	8¼	20,212.50	8,227.53	216,640.42
	749/74	88,668.44	UW	Nov. 1, 1974-89	C	5	8¼	7,758.49	4,109.10	73,382.71
	800/74	736,681.40	UW	Nov. 1, 1974-89	C	5	10¾	79,193.25	34,139.50	609,683.11
	4025/85	6,150,000.00	UW	July 16, 1985-90	Lon.	5	10 5/8	653,437.50	184,500.00	386,929.47
	2835/80	1,978,820.38	UW	Dec. 31, 1980-90	C	Serial	13½	267,140.21	578,221.07	—
	19230	121,112.14	W	Feb. 1, 1966-91	C	Instal.	5 5/8	6,509.78	27,943.29	—
	19321	65,297.87	W	June 1, 1966-91	C	Instal.	5¼	3,428.14	15,093.69	—
	19322	86,639.89	W	June 1, 1966-91	C	Instal.	5 3/8	4,656.89	19,989.77	—
	3807/84	10,103,400.00	UW	Sept. 30, 1984-91	Lon.	5	12¾	1,288,183.50	303,102.00	967,571.59
	19363	70,385.58	W	Dec. 1, 1966-91	C	Instal.	5 5/8	3,959.19	16,179.35	—
	19852	1,000,000.00	W	Dec. 1, 1971-91	C	4	7¾	77,500.00	33,581.75	735,315.50
	4510/87	3,850,000.00	UW	Feb. 24, 1987-92	Lon.	5	9	346,500.00	115,500.00	—
	3326/82	1,925,200.00	UW	Dec. 31, 1982-92	C	Serial	12 3/8	238,243.50	300,800.00	—
	4247/86	4,750,000.00	UW	May 1, 1986-93	Lon.	5	9 40	446,983.13	142,500.00	147,282.58
	885/75	3,500,000.00	UW	Mar. 17, 1975-95	C	5	9¾	341,250.00	105,849.05	1,751,512.79
	1158/76	10,000,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	925,000.00	302,425.87	4,476,011.16(1)
	2622/80	1,800,000.00	UW	May 16, 1980-96	C	5	14	252,000.00	90,000.00	755,768.00
	4347/86	30,032,318.25	UW	Aug. 1, 1986-96	C	5	9¾	2,928,151.02	900,969.55	919,729.54
	1853/78	11,000,000.00	UW	Feb. 1, 1978-98	C	5	9¾	1,072,500.00	332,668.46	3,835,519.80
	2179/79	1,599,999.80	UW	Jan. 23, 1979-99	NY	Serial	9¼	149,499.96	87,012.23	429,789.97(4)
	2424/79	659,216.07	UW	June 1, 1979-2009	C	Instal.	10	67,569.65	8,941.14	—
	2581/80	1,421,223.96	UW	Jan. 1, 1980-2010	C	Instal.	10	145,675.46	17,271.87	—
	Various	149,700.00	SV	Various to 1990	C	Ser. & Instal.	8 to 9¼	12,895.25	92,700.00	—
	Various	229,460.00	TR	Various to 1990	C	Serial	8 to 9¼	19,093.80	173,630.00	—
	Various	25,881.36	T	Various to 1990	C	Ser. & Instal.	5¼ to 9¼	2,328.02	11,356.56	—
		$92,204,005.14						$9,404,919.24	$3,975,685.47	$15,842,417.32

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves
(4) Deferred Serial—Provision for repayment on Sinking Fund basis
(6) Extended to May 1, 1988. Fully Accumulated as at May 1, 1983

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
Solid Waste Disposal										
(Incinerators, Land Fill and Disposal Sites)	4025/85	$ 620,000.00	UW	July 16,1985-90	Lon	5	10 5/8	$ 65,875.00	$ 18,600.00	$ 39,007.52
	2835/80	552,389.16	UW	Dec. 31, 1980-90	C	Serial	13½	74,573.48	161,413.21	—
	3807/84	31,000.00	UW	Sept. 30,1984-91	Lon	5	12¾	3,952.50	930.00	2,968.78
	4510/87	140,000.00	UW	Feb. 24,1987-92	Lon	5	9	12,600.00	4,200.00	—
	3326/82	449,214.22	UW	Dec. 31,1982-92	C	Serial	12 3/8	56,698.54	70,186.42	—
	4247/86	1,250,000.00	UW	May 1,1986-93	Lon	5	9.40	117,841.00	37,500.00	38,758.58
	68/66B	33,241.44	WK	Dec. 31, 1965-95	C	Instal.	6	1,994.49	3,358.58	—
	4347/86	1,167,923.48	UW	Aug. 1,1986-96	C	5	9¾	113,872.54	35,037.71	35,767.27
	1853/78	2,500,000.00	UW	Feb. 1, 1978-98	C	5	9¾	243,750.00	75,606.47	871,709.05
	2179/79	799,999.90	UW	Jan. 23, 1979-99	NY	Serial	9¾	74,750.00	43,506.11	214,894.93(4)
		$ 7,543,768.20						$ 765,907.55	$450,338.50	$ 1,203,106.13
Culture and Recreation	1852/78	$12,325,000.00	UW	Feb. 1, 1978-88	C	5	9	$1,109,250.00	$979,893.89	$11,297,741.97
(Parks, Swimming Pools, Arenas, Golf Courses, Zoo, Libraries, etc.)	1308	340,000.00	M	May 1, 1968-83/88	NY	4	7¼	12,325.00	—	340,000.00 (1)(6)
	1533	650,000.00	M	July 1, 1969-89	NY	4	8	52,000.00	21,829.00	571,040.68(1)
	710	650,000.00	M	Oct. 1, 1964-84/89	NY	3½	4¾	30,875.00	16,688.00	580,093.50(1)
	1659	6,182.80	C	Nov. 1, 1969-89	C	Serial	8	494.62	5,809.60	—
	749/74	35,465.78	UW	Nov. 1, 1974-89	C	5	8¾	3,103.26	1,643.56	29,351.62
	800/74	294,659.30	UW	Nov. 1, 1974-89	C	5	10¾	31,675.87	13,655.19	243,862.33
	1633	400,000.00	M	Feb. 1, 1970-90	C	4	9½	38,000.00	13,433.00	329,945.52
	4025/85	3,050,000.00	UW	July 16,1985-90	Lon	5	10 5/8	324,062.50	91,500.00	191,891.85
	1719	150,000.00	M	Oct. 1, 1970-90	C	4	9¼	13,875.00	5,037.00	120,554.75
	70/70	$ 87,000.00	TR	Dec. 1, 1970-90	C	Serial	9¼	$ 8,047.50	$ 26,000.00	$ —
	2835/80	983,896.90	UW	Dec. 31, 1980-90	C	Serial	13½	132,826.22	287,500.40	—
	1802	60,000.00	M	Apr. 1, 1971-91	C	4	7½	4,500.00	2,015.00	45,296.92
	3807/84	2,703,760.00	UW	Sept. 30, 1984-91	Lon	5	12¾	344,729.40	81,112.80	258,930.79
	1891	300,000.00	M	Nov. 1, 1971-91	C	4	8¼	24,750.00	10,075.00	221,327.93
	4510/87	2,430,000.00	UW	Feb. 24,1987-92	Lon	5	9	218,700.00	72,900.00	—
	3326/82	1,283,465.78	UW	Dec. 31, 1982-92	C	Serial	12 3/8	157,720.61	200,533.58	—
	4247/86	2,500,000.00	UW	May 1, 1986-93	Lon	5	9.40	235,682.01	75,000.00	77,517.15
	383/73	900,000.00	UW	June 1, 1973-93	C	4	8 1/8	73,125.00	30,223.58	565,751.85
	885/75	1,500,000.00	UW	Mar. 17, 1975-95	C	5	9¾	146,250.00	45,363.88	750,648.27
	16/68B	53,429.48	WK	Dec. 1, 1968-95	C	Instal.	0	—	6,678.66	—
	1005	295,000.00	M	Mar. 1, 1966-96	C	Serial	6	16,920.00	26,000.00	—
	1158/76	15,000,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	1,387,500.00	453,638.81	6,714,016.85(1)
	2622/80	3,000,000.00	UW	May 16,1980-96	C	5	14	420,000.00	150,000.00	1,259,613.32
	4347/86	9,259,964.78	UW	Aug. 1, 1986-96	C	5	9¾	902,846.58	277,798.94	283,583.27
	1243	116,400.60	M	Sept. 1, 1967-97	C	Instal.	5 5/8	6,547.53	8,987.80	—
	1853/78	1,500,000.00	UW	Feb. 1, 1978-98	C	5	9¾	146,250.00	45,363.88	523,025.42
	2179/79	799,999.90	UW	Jan. 23, 1979-99	NY	Serial	9 ¾	74,750.00	43,506.11	214,894.96(4)
		$60,674,225.32						$5,916,806.10	$2,992,187.68	$24,619,088.95

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.
(6) Extended to May 1, 1988. Fully Accumulated May 1, 1983.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
Protection	1852/78	$ 500,000.00	UW	Feb. 1, 1978-88	C	5	9	$ 45,000.00	$ 39,752.29	$ 458,326.27
(Firehalls, Police Garage and Public Safety Building)	4772B	43,000.00	SB	Oct. 1, 1969-89	C	Serial	7	3,010.00	21,000.00	—
	4025/85	680,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	72,250.00	20,400.00	42,782.45
	19297	74,289.71	W	Apr. 1, 1966-91	C	Instal.	5 3/8	3,993.08	17,140.30	—
	3807/84	1,156,015.00	UW	Sept. 30, 1984-91	Lon	5	12¾	147,391.91	34,680.45	110,708.01
	19351	509,358.30	W	Oct. 1, 1966-91	C	Instal.	5 3/8	27,378.01	117,520.41	—
	4510/87	1,165,000.00	UW	Feb. 24, 1987-92	Lon	5	9	104,850.00	34,950.00	—
	4247/86	2,090,000.00	UW	May 1, 1986-93	Lon	5	9.40	195,047.18	62,700.00	64,804.34
	4347/86	3,839,536.77	UW	Aug. 1, 1986-96	C	5	9¾	374,354.82	115,186.10	117,584.50
	2179/79	799,999.90	UW	Jan. 23, 1979-99	NY	Serial	9¼	74,750.00	43,506.11	214,894.92(4)
		$10,857,199.68						$1,048,025.00	$ 506,835.66	$ 1,009,100.49
Health and Social Development	1852/78	$ 175,000.00	UW	Feb. 1, 1978-88	C	5	9	$ 15,750.00	$ 13,913.30	$ 160,414.16
	1633	500,000.00	M	Feb. 1, 1970-90	C	4	9½	47,500.00	16,791.00	412,425.76
(Urban Renewal, Community Health Centres and Hospital Capital Grants)	4025/85	1,600,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	170,000.00	48,000.00	100,664.58
	1719	500,000.00	M	Oct. 1, 1970-90	C	4	9¼	46,250.00	16,791.00	401,873.08
	1802	720,000.00	M	Apr. 1, 1971-91	C	4	7½	54,000.00	24,179.00	543,540.68
	4510/87	545,000.00	UW	Feb. 24, 1987-92	Lon	5	9	49,050.00	16,350.00	—
	4247/86	1,800,000.00	UW	May 1, 1986-93	Lon	5	9.40	170,666.29	54,000.00	55,812.35
	2622/80	200,000.00	UW	May 16, 1980-96	C	5	14	28,000.00	10,000.00	83,974.22
	4347/86	3,294,169.93	UW	Aug. 1, 1986-96	C	5	9¾	321,181.58	98,825.10	100,882.84
	2179/79	1,599,999.80	UW	Jan. 23, 1979-99	NY	Serial	9¼	149,499.97	87,012.23	429,789.97(4)
		$10,934,169.73						$1,051,897.84	$ 385,861.63	$ 2,289,377.64
General Government	19573	$ 325,000.00	W	June 1, 1968-88	C	4	7½	$ 24,375.00	$ 10,914.07	$ 309,055.26
	18869	252,000.00	W	Oct. 1, 1963-88	C	Serial	5½ & 5¾	14,490.00	252,000.00	—
(Administration and Council Buildings, Parking Garage, Refunding issues and Signals Building)	19050	2,500,000.00	W	Nov. 1, 1964-84/89	NY	4	4¾	118,750.00	60,029.93	2,212,622.91(1)
	4025/85	226,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	24,012.50	6,780.00	14,218.87
	19336	304,086.63	W	Aug. 1, 1966-91	C	Instal.	5 3/8	16,344.65	70,159.62	—
	3614/83	24,467.16	UW	Dec. 15, 1983-93	C	Instal.	6 3/8	1,584.64	3,465.82	—
		$ 3,631,553.79						$ 199,556.79	$403,349.44	$2,535,897.04
Downtown Parking	19852	1,000,000.00	W	Dec. 1, 1971-91	C	4	7¾	77,500.00	33,581.75	735,315.50
	1158/76	3,000,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	277,500.00	90,727.76	1,342,803.35(1)
	3807/84	337,000.00	UW	Sept. 30, 1984-91	Lon	5	12¾	42,967.50	10,110.00	32,273.45
	4347/86	491,362.09	UW	Aug. 1, 1986-96	C	5	9¾	47,907.80	14,740.86	15,047.79
	1853/78	5,000,000.00	UW	Feb. 1, 1978-98	C	5	9¾	487,500.00	151,212.94	1,743,418.11
	2179/79	799,999.90	UW	Jan. 23, 1979-99	NY	Serial	9¼	74,750.00	43,506.11	214,894.91(4)
		$10,628,361.99						$1,008,125.30	$343,879.42	$4,083,753.11
Convention Centre	685/74	$ 833,804.42	UW	Mar. 23, 1973-93	C	Instal.	6.98	$ 58,199.55	$116,621.10	$ —
	383/73	4,100,000.00	UW	June 1, 1973-93	C	4	8 1/8	333,125.00	137,685.18	2,577,313.66
	750/74	3,500,000.00	UW	Aug. 1, 1974-94	C	5	10¾	376,250.00	138,434.55	2,503,146.02
	1158/76	770,000.00	UW	Mar. 1, 1976-91/96	NY	5	9¼	71,225.00	23,286.79	344,652.80(1)
		$ 9,203,804.42						$ 838,799.55	$416,027.62	$5,425,112.48

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
Centennial Centre	19488	$ 900,000.00	W	Jan. 2, 1968-83/88	NY	4	6¾	$ 60,750.00	$ 30,223.58	$ 869,593.25(1)
Civic Accomodations	4025/85	$ 480,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	$ 51,000.00	$ 14,400.00	$ 30,199.37
	2835/80	1,158,723.16	UW	Dec. 31, 1980-90	C	Serial	13½	156,427.49	338,585.02	—
	3807/84	1,035,225.00	UW	Sept. 30, 1984-91	Lon	5	12¾	131,991.19	31,056.75	99,140.32
	4510/87	700,000.00	UW	Feb. 24, 1987-92	Lon	5	9	63,000.00	21,000.00	—
	3326/82	1,155,120.00	UW	Dec. 31, 1982-92	C	Serial	12 3/8	142,946.10	180,480.00	—
	4247/86	230,000.00	UW	May 1, 1986-93	Lon	5	9.40	20,317.41	6,900.00	7,131.58
	4347/86	2,217,386.16	UW	Aug. 1, 1986-96	C	5	9¾	216,195.14	66,521.59	67,906.70
	2179/79	1,599,999.80	UW	Jan. 23, 1979-99	NY	Serial	9¼	149,499.96	87,012.23	429,789.98(4)
		$ 8,576,454.12						$ 931,377.29	$ 745,955.59	$ 634,167.95
City Developments/Development Agreements	4347/86	$ 484,564.78	UW	Aug. 1, 1986-96	C	5	9¾	$ 47,245.08	$ 14,536.94	$ 14,839.63
	2179/79	799,999.90	UW	Jan. 23, 1979-99	NY	Serial	9¼	74,750.00	43,506.11	214,894.92(4)
		$ 1,284,564.68						$ 121,995.08	$ 58,043.05	$ 229,734.55
Old Market Square	2835/80	$ 501,852.00	UW	Dec. 31, 1980-90	C	Serial	13½	$ 67,749.48	$ 146,642.76	$ —
	3807/84	104,400.00	UW	Sept. 30, 1984-91	Lon	5	12¾	13,311.00	3,132.00	9,998.07
	3614/83	75,394.01	UW	Dec. 15, 1983-93	C	Instal	6 3/8	4,882.97	10,679.70	—
		$ 681,646.01						$ 85,943.45	$ 160,454.46	$ 9,998.07
Overhead Walkways	2835/80	$ 48,413.57	UW	Dec. 31, 1980-90	C	Serial	13½	$ 6,536.64	$ 14,148.46	$ —
	3807/84	44,000.00	UW	Sept. 30, 1984-91	Lon	5	12¾	5,610.00	1,320.00	4,213.74
	4247/86	533,000.00	UW	May 1, 1986-93	Lon	5	9.40	48,761.80	15,990.00	16,526.66
		$ 625,413.57						$ 60,908.44	$ 31,458.46	$ 20,740.40
Core Area Program	4025/85	$ 4,919,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	$ 522,643.75	$ 147,570.00	$ 309,480.66
	3807/84	6,000,000.00	UW	Sept. 30, 1984-91	Lon	5	12¾	765,000.00	180,000.00	574,601.57
	4510/87	4,470,000.00	UW	Feb. 24, 1987-92	Lon	5	9	402,300.00	134,100.00	—
	4247/86	6,500,000.00	UW	May 1, 1986-93	Lon	5	9.40	609,522.46	195,000.00	201,544.59
	4347/86	2,245,577.65	UW	Aug. 1, 1986-96	C	5	9¾	218,943.82	67,367.33	68,770.05
		$ 24,134,577.65						$ 2,518,410.03	$ 724,037.33	$ 1,154,396.87
North Portage Development	4025/85	$ 500,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	$ 53,125.00	$ 15,000.00	$ 31,457.68
	4510/87	4,000,000.00	UW	Feb. 24, 1987-92	Lon	5	9	360,000.00	120,100.00	—
		$ 4,500,000.00						$ 413,125.00	$ 135,000.00	$ 31,457.68
North Ellice Neighbourhood	4025/85	$ 25,000.00	UW	July 16, 1985-90	Lon	5	10 5/8	$ 2,656.25	$ 750.00	$ 1,572.88
Total General		$380,895,729.38						$38,113,848.63	$16,462,011.33	$ 81,155,008.51

(1) Recorded at par with Canadian Dollar—Equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(4) Deferred Serial—Provision for repayment on Sinking Fund basis.

Debt Issued By

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification Jan. 1/72)
M—The Metropolitan Corporation of Greater Winnipeg
C—Rural Municipality of Charleswood
FG—Rural Municipality of Fort Garry
SB—City of St. Boniface
SV—City of St. Vital
TR—City of Transcona
T—Town of Tuxedo
WK—City of West Kildonan

Local Improvement Debenture Debt

By-Law No.	Debt Issued By	Amount of Debt: City at Large	Amount of Debt: Frontage Owners	Amount of Debt: Total	Term of Debt	Payable	Interest Rates %: Sinking Fund	Interest Rates %: Debt	Annual Charges 1988: Interest	Annual Charges 1988: Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
19573	Winnipeg	$ 2,773.60	$ 107,226.40	$ 110,000.00	June 1, 1968-88	C	4	7½	$ 4,125.00	$ 3,693.99	$ 104,603.26
19679	Winnipeg	151,149.60	103,850.40	255,000.00	May 1, 1969-89	C	4	8¼	21,037.50	8,563.35	225,482.95
749/74	UW	2,519.02	6,346.76	8,865.78	Nov. 1, 1974-89	C	5	8¾	775.75	410.86	7,337.33
800/74	UW	20,928.70	52,730.60	73,659.30	Nov. 1, 1974-89	C	5	10¾	7,918.38	3,413.54	60,961.00
19829	Winnipeg	—	60,000.00	60,000.00	June 15, 1971-91	C	4	8½	5,100.00	2,014.90	44,933.24
		$ 177,370.92	$ 330,154.16	$ 507,525.08					$ 38,956.63	$ 18,096.64	$ 443,317.78
Various	Charleswood	$ —	$ 16,969.00	$ 16,969.00	Various to 1990	C	Ser. & Inst.	5 5/8 to 8	$ 1,357.52	$ 10,568.00	$ —
Various	Fort Garry	—	15,315.72	15,315.72	Various to 1991	C	Ser. & Inst.	5 3/8 - 9¼	1,289.61	3,377.85	—
Various	St. Boniface	—	18,869.19	18,869.19	Various to 1990	C	Ser. & Inst.	6 to 9	1,483.26	8,094.96	—
Various	St. Vital	—	64,300.00	64,300.00	Various to 1990	C	Ser. & Inst.	8 to 9¼	5,637.25	27,300.00	—
Various	Transcona	—	51,540.00	51,540.00	Various to 1990	C	Serial	8 to 9¼	4,486.20	24,370.00	—
Various	Tuxedo	37,093.80	169,330.00	206,423.80	Various to 1991	C	Ser. & Inst.	5½ to 9¼	18,308.06	76,848.60	—
		$ 37,093.80	$ 336,323.91	$ 373,417.71					$ 32,561.90	$150,559.41	$ —
		$ 214,464.72	$ 666,478.07	$ 880,942.79					$ 71,518.53	$168,656.05	$ 443,317.78
							City at Large		$ 18,369.89	$ 19,014.23	$ 155,696.48
							Frontage Owners		53,148.64	149,641.82	287,621.30
									$ 71,518.53	$168,656.05	$ 443,317.78

The Winnipeg School Division No. 1 Debenture Debt *

By-Law No.	Amount of Debt	Term of Debt	Payable	Interest Rates %: Sinking Fund	Interest Rates %: Debt	Annual Charges 1988: Interest	Annual Charges 1988: Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
* 18869	$238,000.00	Oct. 1, 1963-88	C	Serial	5¾	$ 13,685.00	$ 238,000.00	—

*Excludes debt issued direct by The Winnipeg School Division No. 1.

City Owned Utilities—Debenture Debt

Hydro Electric System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
19488	W	$ 1,600,000.00	Jan. 2, 1968-83/88	NY	4	6¾	$ 108,000.00	$ 53,730.80	$ 1,545,943.24(1)
19573	W	1,000,000.00	June 1, 1968-88	C	4	7½	75,000.00	33,581.75	950,939.29
18869	W	39,000.00	Oct. 1, 1963-88	C	Serial	5¾	2,242.50	39,000.00	—
19050	W	4,000,000.00	Nov. 1, 1964-84/89	NY	4	4¾	190,000.00	96,047.88	3,540,196.36(1)
749/74	UW	88,665.78	Nov. 1, 1974-89	C	5	8¾	7,758.26	4,108.98	73,380.61
800/74	UW	736,659.30	Nov. 1, 1974-89	C	5	10¾	79,190.87	34,138.47	609,664.71
4025/85	UW	2,000,000.00	July 16, 1985-90	Lon	5	10 5/8	212,500.00	60,000.00	125,830.72
19775	W	3,000,000.00	Dec. 1, 1970-90	C	4	9¼	277,500.00	100,745.25	2,395,260.87
19829	W	1,000,000.00	June 15, 1971-91	C	4	8½	85,000.00	33,581.75	748,889.28
3807/84	UW	7,000,000.00	Sept. 30, 1984-91	Lon	5	12¾	892,500.00	210,000.00	670,368.50
19852	W	3,000,000.00	Dec. 1, 1971-91	C	4	7¾	232,500.00	100,745.25	2,205,946.54
4510/87	UW	12,000,000.00	Feb. 24 1987-92	Lon	5	9	1,080,000.00	360,000.00	—
585/74	UW	10,000,000.00	Apr. 1, 1974-94	C	5	8¾	875,000.00	302,425.87	5,557,929.82
1158/76	UW	10,000,000.00	Mar. 1, 1976-91/96	NY	5	9¼	925,000.00	302,425.87	4,476,011.17(1)
2622/80	UW	10,500,000.00	May 16, 1980-96	C	5	14	1,470,000.00	525,000.00	4,408,646.61
1853/78	UW	2,000,000.00	Feb. 1, 1978-98	C	5	9¾	195,000.00	60,485.17	697,367.22
		$67,964,325.08					$6,707,191.63	$2,316,017.04	$28,006,374.94

Steam Heating System

18869	W	$ 19,000.00	Oct. 1, 1963-88	C	Serial	5¾	$ 1,092.50	$ 19,000.00	$ —

Transit System

1421	M	$4,500,000.00	Dec. 1, 1968-85/88	NY	4	7½	$ 337,500.00	$151,118.00	$4,195,368.62(1)
1533	M	2,000,000.00	July 1, 1969-89	NY	4	8	160,000.00	67,164.00	1,756,991.86(1)
1633	M	1,100,000.00	Feb. 1, 1970-90	C	4	9½	104,500.00	36,940.00	907,331.74
4025/85	UW	1,000,000.00	July 16, 1985-90	Lon	5	10 5/8	106,250.00	30,000.00	62,915.36
4246/86	UW	6,960,000.00	Dec. 1, 1986-90	C	5	9 3/8	652,500.00	208,800.00	209,686.77
4510/87	UW	3,500,000.00	Feb. 24, 1987-92	Lon	5	9	315,000.00	105,000.00	—
2622/80	UW	1,500,000.00	May 16, 1980-96	C	5	14	210,000.00	75,000.00	629,806.66
4347/86	UW	1,668,462.13	Aug. 1, 1986-96	C	5	9¾	162,675.06	50,053.86	51,096.08
		$22,228,462.13					$2,048,425.06	$724,075.86	$7,813,197.09

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.

Debt Issued by

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification January 1, 1972)
M—Metropolitan Corporation of Greater Winnipeg

City Owned Utilities—Debenture Debt

Water Works System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
19488	W	500,000.00	Jan. 2, 1968-83/88	NY	4	6¾	$ 33,750.00	$ 16,790.87	$ 483,107.09 (1)
749/74	UW	44,334.22	Nov. 1, 1974-89	C	5	8¾	3,879.24	2,054.55	36,691.34 (1)
800/74	UW	368,340.70	Nov. 1, 1974-89	C	5	10¾	39,596.63	17,069.75	304,841.55
4025/85	UW	1,000,000.00	July 16, 1985-90	Lon	5	10 5/8	106,250.00	30,000.00	62,915.36
4246/86	UW	200,000.00	Dec 1, 1986-90	C	5	9 3/8	18,750.00	6,000.00	6,025.48
19829	W	500,000.00	June 15, 1971-91	C	4	8½	42,500.00	16,790.88	374,444.75
3807/84	UW	1,000,000.00	Sept. 30, 1984-91	Lon	5	12¾	127,500.00	10,000.00	31,922.31
4510/87	UW	500,000.00	Feb. 24, 1987-92	Lon	5	9	45,000.00	15,000.00	—
3327/82	UW	4,000,000.00	Dec. 31, 1982-92	C	5	12¾	510,000.00	318,018.30	1,757,251.85
383/73	UW	2,000,000.00	June 1, 1973-93	C	4	8 1/8	162,500.00	67,163.49	1,257,225.97
885/75	UW	2,500,000.00	Mar. 17, 1975-95	C	5	9¾	243,750.00	75,606.47	1,251,080.67
1158/76	UW	5,000,000.00	Mar. 1, 1976-91/96	NY	5	9¼	462,500.00	151,212.94	2,238,005.66
2622/80	UW	4,500,000.00	May 16, 1980-96	C	5	14	630,000.00	225,000.00	1,889,419.97 (1)
4347/86	UW	8,864,552.41	Aug. 1, 1986-96	C	5	9¾	864,293.86	265,936.57	271,473.90
1853/78	UW	3,500,000.00	Feb. 1, 1978-98	C	5	9¾	341,250.00	105,849.06	1,220,392.72
2403/79	UW	131,130.42	Apr. 1, 1979-99	C	Instal.	9 5/8	12,925.00	6,185.16	—
2675/80	UW	446,449.99	May 1, 1980-2000	C	Instal.	11	50,460.01	16,691.33	—
2676/80	UW	2,183,354.57	May 1, 1980-2000	C	Instal.	9½	212,344.88	90,668.67	—
2709/80	UW	54,885.23	June 1, 1980-2000	C	Instal.	9 5/8	5,409.82	2,259.54	—
2710/80	UW	80,176.42	June 1, 1980-2000	C	Instal.	10	8,218.08	3,215.63	—
		$37,373,223.96					$3,920,877.52	$1,441,513.21	$11,184,798.62
1308	M	$ 700,000.00	May 1, 1968-83/88	NY	4	7¼	$ 25,375.00	—	$ 700,000.00
1421	M	500,000.00	Dec. 1, 1968-85/88	NY	4	7½	37,500.00	16,791.00	466,155.16 (1)(6)
514	M	3,300,000.00	Dec. 2, 1963-88	C	3½	5½	181,500.00	84,725.00	3,115,210.41 (1)
579	M	2,160,000.00	May 1, 1964-89	C	3½	5½	118,800.00	55,456.00	1,955,749.72
710	M	700,000.00	Oct. 1, 1964-84/89	NY	3½	4¾	33,250.00	17,972.00	624,726.79
814	M	500,000.00	Apr. 1, 1965-90	C	3½	5½	27,500.00	12,837.00	425,909.98 (1)
1719	M	1,300,000.00	Oct. 1, 1970-90	C	4	9¼	120,250.00	43,656.00	1,044,855.63
1891	M	225,000.00	Nov. 1, 1971-91	C	4	8¼	18,562.50	7,556.00	165,990.43
386	M	843,000.00	May 1, 1963-93	C	Serial	5¼	41,028.75	123,000.00	—
858	M	76,693.25	July 2, 1965-95	C	Instal.	5 3/8	4,122.26	7,924.38	—
1013	M	96,781.72	Apr. 1, 1966-96	C	Instal.	5 3/8	5,201.26	8,641.26	—
1108	M	145,564.00	Apr. 1, 1966-96	C	Instal.	5 3/8	7,824.07	12,998.71	—
1163	M	146,020.50	Oct. 1, 1966-96	C	Instal.	5 3/8	7,848.60	13,039.48	—
1466	M	790,937.10	Nov. 1, 1968-98	C	Instal.	5 5/8	44,490.22	53,880.56	—
		$11,483,996.57					$ 673,252.66	$ 458,477.39	$8,498,598.12

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves
(6) Extended to May 1, 1988. Fully Accumulated as at May 1, 1983

CITY OWNED UTILITIES—DEBENTURE DEBT
WATER WORKS SYSTEM—Continued

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
Various	SB	$ 51.303.01	Various to 1990	C	Instal.	6 to 9	$ 3.662.48	$ 22.748.65	$ —
8217	SV	9.430.76	Dec. 31, 1968-88	C	Inst.	8	754.46	9.430.76	—
Various	T	6.041.82	Various to 1990	C	Ser.& Inst.	5¼ to 9¼	537.84	2.856.62	—
		$ 66.775.59					$ 4.954.78	$ 35.036.03	$ —
TOTAL WATER WORKS SYSTEM		$48.923.996.12					$4.599.084.96	$1.935.026.63	$19.683.396.74

Debt Issued by

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification Jan. 1/72)
M—The Metropolitan Corporation of Greater Winnipeg
SB—City of St. Boniface
SV—City of St. Vital
T—Town of Tuxedo

City Owned Utilities—Debenture Debt

Sewage Disposal System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
4025/85	UW	$ 6,000,000.00	July 16, 1985-90	Lon	5	10 5/8	$ 637,500.00	$ 180,000.00	$ 377,492.17
4246/86	UW	14,840,000.00	Dec. 1, 1986-90	C	5	9 3/8	1,391,250.00	445,200.00	447,090.77
3807/84	UW	2,000,000.00	Sept. 30, 1984-91	Lon	5	12¾	255,000.00	20,000.00	63,844.62
4510/87	UW	14,000,000.00	Feb. 24, 1987-92	Lon	5	9	1,260,000.00	420,000.00	—
885/75	UW	2,500,000.00	Mar. 17, 1975-95	C	5	9¾	243,750.00	75,606.47	1,251,080.67
2622/80	UW	2,500,000.00	May 16, 1980-96	C	5	14	350,000.00	125,000.00	1,049,677.77
4347/86	UW	14,654,299.92	Aug. 1, 1986-96	C	5	9¾	1,428,794.24	439,629.00	448,782.96
1853/78	UW	4,500,000.00	Feb. 1, 1978-98	C	5	9¾	438,750.00	136,091.64	1,569,076.25
2316/79	UW	293,414.24	Feb. 1, 1979-99	C	Instal.	10	30,074.96	13,516.23	—
2402/79	UW	413,640.74	Apr. 1, 1979-99	C	Instal.	9 5/8	40,770.92	19,510.59	—
2813/80	UW	2,263,875.03	Oct. 1, 1980-2000	C	Instal.	10	232,047.19	90,796.93	—
597/74	UW	57,894.53	Jan. 1, 1973-2003	C	Instal.	8¼	4,874.81	1,842.69	—
598/74	UW	2,467,733.21	June 1, 1973-2003	C	Instal.	8¼	207,786.99	78,542.75	—
599/74	UW	40,962.20	Jan. 1, 1973-2003	C	Instal.	7¾	3,236.08	1,362.23	—
600/74	UW	62,482.57	Jan. 1, 1973-2003	C	Instal.	7½	4,774.06	2,123.67	—
601/74	UW	194,460.86	Jan. 1, 1973-2003	C	Instal.	7¼	14,353.94	6,754.47	—
602/74	UW	50,690.62	Jan. 1, 1973-2003	C	Instal.	7½	3,873.08	1,722.89	—
684/74	UW	122,177.31	Dec. 1, 1973-2003	C	Instal.	8¼	10,287.52	3,888.67	—
996/75	UW	362,873.92	Apr. 1, 1975-2005	C	Instal.	7½	27,725.83	10,033.51	—
997/75	UW	571,837.52	Apr. 1, 1975-2005	C	Instal.	7 7/8	45,918.78	15,224.70	—
998/75	UW	32,444.03	Apr. 1, 1975-2005	C	Instal.	7½	2,478.93	897.08	—
1292/76	UW	1,348,665.31	Nov. 1, 1975-2005	C	Instal.	7½	103,046.46	37,290.73	—
1293/76	UW	49,413.73	Jan. 1, 1976-2006	C	Instal.	8	4,032.16	1,172.56	—
1294/76	UW	453,845.36	Feb. 1, 1976-2006	C	Instal.	10¾	50,099.56	7,937.36	—
1482/77	UW	137,403.26	Dec. 1, 1976-2006	C	Instal.	8	11,212.11	3,260.46	—
1483/77	UW	129,313.88	Dec. 1, 1976-2006	C	Instal.	8	10,552.01	3,068.50	—
2476/79	UW	1,195,599.19	Jan. 1, 1979-2009	C	Instal.	10 3/8	127,260.79	15,414.39	—
2401/79	UW	1,016,737.24	Apr. 1, 1979-2009	C	Instal.	10¾	112,236.67	12,456.27	—
2708/80	UW	795,399.07	June 1, 1980-2010	C	Instal.	10¾	87,803.36	8,680.09	—
		$73,055,163.74					$7,139,490.45	$2,177,023.88	$5,207,045.21
1308	M	$ 800,000.00	May 1, 1968-83/88	NY	4	7¼	$ 29,000.00	$ —	$800,000.00(1)(6)
579	M	2,000,000.00	May 1, 1964-89	C	3½	5½	110,000.00	51,348.00	1,810,874.15
710	M	2,600,000.00	Oct. 1, 1964-84/89	NY	3½	4¾	123,500.00	66,753.00	2,320,408.79(1)
814	M	500,000.00	Apr. 1, 1965-90	C	3½	5½	27,500.00	12,837.00	425,909.98
1891	M	675,000.00	Nov. 1, 1971-91	C	4	8¼	55,687.50	22,668.00	497,971.34
586	M	40,988.45	Nov. 1, 1963-93	C	Instal.	5 1/8	2,127.57	5,997.20	—
700	M	52,170.61	Mar. 1, 1964-94	C	Instal.	5 1/8	2,708.00	6,370.54	—
761	M	350,365.99	Aug. 1, 1964-94	C	Instal.	5 1/8	18,186.32	42,782.90	—
859	M	233,367.08	Aug. 1, 1964-94	C	Instal.	5 1/8	12,113.30	28,496.26	—
860	M	115,736.49	Aug. 1, 1964-94	C	Instal.	5¼	6,155.92	14,077.40	—
900	M	29,786.01	Dec. 1, 1964-94	C	Instal.	5 3/8	1,622.51	3,608.81	—
887	M	2,371,582.39	July 1, 1965-95	C	Instal.	5 1/8	123,100.88	246,667.88	—
1032	M	60,272.94	Sept. 1, 1965-95	C	Instal.	5 3/8	3,283.20	6,211.66	—
1135	M	477,687.73	Sept. 1, 1965-95	C	Instal.	5 1/8	24,795.16	49,684.19	—

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(6) Extended to May 1, 1988. Fully Accumulated as at May 1, 1983

CITY OWNED UTILITIES—DEBENTURE DEBT
SEWAGE DISPOSAL SYSTEM—Continued

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1988 Interest	Annual Charges 1988 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1987
1033	M	$ 197,780.42	Dec. 1, 1965-95	C	Instal.	5 1/8	$ 10,266.12	$ 20,571.13	$ —
1013	M	46,599.12	Apr. 1, 1966-96	C	Instal.	5 3/8	2,505.46	4,162.50	—
1279	M	26,058.34	Dec. 1, 1967-97	C	Instal.	5 1/8	1,352.60	2,053.39	—
1280	M	234,262.00	Dec. 1, 1967-97	C	Instal.	5 7/8	13,965.03	17,805.29	—
1348	M	16,614.38	Dec. 1, 1967-97	C	Instal.	5 1/8	862.40	1,309.22	—
1443	M	131,329.51	Oct. 1, 1968-98	C	Instal.	6¼	8,336.35	8,612.62	—
1545	M	173,208.10	May 1, 1969-99	C	Instal.	6 3/8	11,218.00	9,984.94	—
1679	M	22,872.94	Jan. 1, 1970-2000	C	Instal.	6 7/8	1,599.54	1,136.14	—
1692	M	141,901.32	Jan. 1, 1970-2000	C	Instal.	6¼	9,007.41	7,348.80	—
1766	M	203,848.52	Oct. 1, 1970-2000	C	Instal.	6 7/8	14,255.46	10,125.74	—
1923	M	362,147.60	Sept. 1, 1971-2001	C	Instal.	8¼	30,493.40	14,511.88	—
		$11,863,579.94					$ 643,642.13	$ 655,124.49	$5,855,164.26
1659	C	$ 3,848.20	Nov. 1, 1969-89	C	Serial	8	$ 307.86	$ 3,622.40	$ —
Various	FG	9,387.06	Various to 1991	C	Ser.& Inst.	5 7/8to8¼	790.40	2,070.30	—
Various	SB	11,485.22	Various to 1990	C	Ser.& Inst.	6 to 9	1,033.67	3,503.65	—
Various	T	4,653.02	Various to 1990	C	Ser.& Inst.	5¼ to 9¼	418.58	1,938.22	—
		$ 29,373.50					$ 2,550.51	$ 11,134.57	$ —
TOTAL SEWAGE DISPOSAL SYSTEM		$84,948,117.18					$7,785,683.09	$2,843,282.94	$11,062,209.47

Debt Issued by

UW—The City of Winnipeg (after unification Jan. 1/72)
M—The Metropolitan Corporation of Greater Winnipeg
C—R.M. of Charleswood
FG—R.M. of Fort Garry
SB—City of St. Boniface
T—Town of Tuxedo

Annual Report of the Sinking Fund Trustees 1987

The Sinking Fund Trustees of the City of Winnipeg

His Worship the Mayor
and Members of the Council
of The City of Winnipeg.

Ladies and Gentlemen:

Pursuant to the requirements of The City of Winnipeg Act, the Sinking Fund Trustees submit the 1987 financial statements of the Sinking Fund duly audited comprising the following:

1. Balance Sheets as at December 31, 1987.
2. Income Account for the year ended December 31, 1987.
3. Surplus Account for the year ended December 31, 1987.
4. Reserve Account for Retirement of Debenture Debt for the year ended December 31, 1987.

Assets of the Sinking Fund amounted to $180,726,956. as at December 31, 1987. The Sinking Fund Reserve requirements amounted to $162,700,789. and the balance of $18,026,167. represents funds payable to the City of Winnipeg and unallocated surplus.

The excess of interest earnings over requirements amounted to $11,169,294. for the year and after adding $1,561,570. representing net gains on disposal of securities and deducting administrative expenses amounting to $131,109. the net excess of investment earnings over requirements amounted to $12,599,756. The balance in Surplus Account at December 31, 1986 of $958,298. added to the net investment earnings over requirements of $12,599,756. less appropriations of $5,810,979. towards Foreign Exchange requirements and $7,000,000. towards Commutation of Levies leaves a balance of $747,075. in Surplus Account as at December 31, 1987.

The rates of interest earned by the Fund for the years 1978 to 1987 are shown below:

1978	8.61%	1983	11.59%
1979	9.69%	1984	11.42%
1980	10.18%	1985	11.68%
1981	10.61%	1986	11.05%
1982	11.35%	1987	9.90%

Changes in Sinking Fund Obligations in 1987:

	Sinking Fund Obligations	Sinking Fund Reserve	Net
January 1, 1987	$403,385,562	$215,138,813	$188,246,749
December 31, 1987	473,459,000	163,447,864	310,011,136
	$ 70,073,438	$ 51,690,949	$121,764,387
	Increase	Decrease	Increase

The reserves amounting to $162,700,789. required for the retirement of City of Winnipeg Sinking Fund debt plus the unallocated surplus of $747,075 totals $163,447,864.

The Sinking Fund Trustees administer the assets of the following funds, on which separate reports are being submitted:

Fund	Assets
Sinking Fund	$180,726,956
Workers Compensation Reserve Fund	634,747
Parks Reserve Fund	2,617,673
Insurance Reserve Fund	3,725,268
Winnipeg Enterprises Corporation Sinking Fund	1,473,984
	$189,178,628

In 1972 Winnipeg Enterprises Corporation enlarged the seating capacity of the Winnipeg Stadium by the addition of new stands. The cost of construction was financed by the issue of $1,500,000.00 of 8½% sinking fund debentures to mature June 15, 1992. Principal and interest on these debentures was guaranteed by the City of Winnipeg. At the request of City Council, the Sinking Fund Trustees agreed to administer the sinking fund for retiral of the debt at maturity and commencing June 15, 1973 the annual levies are being paid to the Sinking Fund Trustees.

In addition to the above funds the Sinking Fund Trustees administer in trust, allocated income of the following plans. The amounts of the assets administered by the Trustees are:

Fund	Assets
Employee Benefits Board Pension Fund	$355,669,058
Civic Pension Fund	137,874,398
Winnipeg Police Pension Plan	129,630,903
Council Members Pension Fund	33,000
Employee Benefits Board Group Insurance Fund	10,253,049
	$633,460,408

Respectfully submitted,

A. HOWISON
Chairman

C.M. ZEILSTRA
Trustee

M.G. SMITH
Trustee

L. HUTCHEON
(Commissioner of Finance and City Treasurer)
Trustee

D.E. HALL
Secretary

The Sinking Fund Trustees of the City of Winnipeg Balance Sheet

As at December 31, 1987

Assets

	1987			1986	
	Par Value	Book Value	% of Total	Book Value	% of Total
INVESTMENT IN BONDS AND DEBENTURES (Notes 1 and 2)					
Government of Canada and Government of Canada guaranteed	$ 38,185,000	$37,704,925	23	$62,515,875	29
Provincial and Provincial guaranteed	14,800,000	14,468,333	9	29,722,895	14
City of Winnipeg	63,064,839	57,002,179	35	64,520,538	30
City of Winnipeg guaranteed	6,231,000	6,217,052	4	4,816,052	2
Other Canadian cities and municipalities, school districts school divisions and other institutions	16,446,000	16,361,762	10	20,234,061	9
Bank certificates of deposit	10,500,000	10,500,000	6	17,400,000	8
	$149,226,839	142,254,251	87	199,209,421	92
BOND RESIDUES & COUPONS:					
Government of Canada		17,007,541	10	12,312,688	6
Provincial		5,765,433	3	4,865,903	2
		165,027,225	100	216,388,012	100
ACCRUED INTEREST		3,211,091		3,789,571	
CASH		123,149		672,652	
CALL LOANS — CITY OF WINNIPEG		12,050,000		10,075,000	
ACCOUNTS RECEIVABLE (Note 3)		315,491		767,999	
		$180,726,956		$231,693,234	

Liabilities, Reserves and Surplus

	1987	1986
APPROPRIATIONS PAYABLE		
City of Winnipeg	$ 17,279,092	$ 16,554,421
RESERVE ACCOUNTS		
Retirement of debenture debt (Note 6)	148,579,725	182,592,034
Foreign exchange requirement	14,121,064	31,588,480
SURPLUS ACCOUNT	747,075	958,299
	$180,726,956	$231,693,234

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The Sinking Fund Trustees of The City of Winnipeg as at December 31, 1987 and the statements of income, surplus account and reserves for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
March 23, 1988

Deloitte, Haskins & Sells
Chartered Accountants

The Sinking Fund Trustees of the City of Winnipeg Statement of Income Account

For The Year Ended December 31, 1987

	1987	1986
INTEREST INCOME	$19,721,433	$23,782,895
INTEREST REQUIREMENTS		
Funded debt reserves	8,237,139	9,779,969
Fully accumulated reserves (By-law 1308)(Note 7)	315,000	315,000
O'Connell Trust	—	10
	8,552,139	10,094,979
EXCESS OF INTEREST EARNED OVER REQUIREMENTS	11,169,294	13,687,916
NET GAIN ON DISPOSAL OF INVESTMENTS	1,561,570	2,984,522
	12,730,864	16,672,438
ADMINISTRATION EXPENSES	131,109	129,326
NET INCOME FOR THE YEAR TO SURPLUS ACCOUNT	$12,599,755	$16,543,112

Statement of Surplus Account

For The Year Ended December 31, 1987

	1987	1986
BALANCE, AT BEGINNING OF THE YEAR	$ 958,299	$ 848,370
ADD		
Net income for the year	12,599,755	16,543,112
	13,558,054	17,391,482
DEDUCT		
Appropriations for City of Winnipeg		
To Commutation of Levies	7,000,000	9,000,000
Foreign exchange expense	5,810,979	5,253,000
Sinking fund reserves — By-law 1586/77	—	2,180,183
	12,810,979	16,433,183
BALANCE, AT END OF THE YEAR	$ 747,075	$ 958,299

Statement of Reserve for Retirement of Debenture Debt

For The Year Ended December 31, 1987

	1987			
	Accumulated Reserve	Foreign Exchange Requirement	Total	1986 Total
BALANCE AT BEGINNING OF THE YEAR	$182,592,034	$31,588,480	$214,180,514	$210,139,819
ADD				
Instalments — City of Winnipeg	21,551,513	—	21,551,513	20,055,111
Interest credited	7,102,845	1,134,294	8,237,139	9,779,970
Foreign exchange on investment maturities (Note 1)	—	1,055,144	1,055,144	—
	211,246,392	33,777,918	245,024,310	239,974,900
DEDUCT				
Over Provision	—	4,418,921	4,418,921	—
Applied to debt redemption (Notes)	62,666,667	15,237,933	77,904,600	25,794,386
BALANCE AT END OF THE YEAR	$148,579,725	$14,121,064	$162,700,789	$214,180,514

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Sinking Fund Trustees of the City of Winnipeg
Notes to the Financial Statements
December 31, 1987

1. SIGNIFICANT ACCOUNTING POLICIES

Fixed income investments

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase.

Bond residues and coupons

Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

Foreign exchange on investment maturities

Effective in 1987, at the direction of the City of Winnipeg, foreign exchange arising on maturity of investments denominated in foreign currencies is credited to the reserve for retirement of funded debt.

2. FOREIGN INVESTMENTS

Sinking fund assets include investments issued in United States currency having an aggregate carrying value of $7,931,409 (1986 - $11,445,353) expressed in Canadian funds.

	Par (U.S. $)	Carrying Value
Provincial and Provincial guaranteed	$ 1,500,000	$1,497,200
City of Winnipeg	7,133,000	6,434,209
	$ 8,633,000	$ 7,931,409

3. ACCOUNTS RECEIVABLE

	1987	1986
City of Winnipeg — foreign exchange requirement	$ —	$ 511,143
Employee Benefits Board — share of administration expenses	313,691	255,056
Sundry	1,800	1,800
	$ 315,491	$ 767,999

4. FOREIGN EXCHANGE REQUIREMENT

The foreign exchange requirement of $14,121,064 (1986 - $31,588,479) which is included in the reserve for retirement of funded debt represents the additional amount required to increase the reserve balances for funded debt issued in foreign currencies to amounts based on the related foreign exchange rates at December 31, 1987.

5. RESERVES APPLIED TO DEBT REDEMPTION

Amounts applied to debt redemption on the statement of reserve for retirement of funded debt are as follows:

	Principal	Foreign Exchange	Total
By-law 1468/77	$ 5,500,000	$ —	$ 5,500,000
By-law 1586/77	40,000,000	13,745,104	53,745,104
By-law 19430	2,800,000	—	2,800,000
By-law 1812/77	5,000,000	—	5,000,000
By-law 1159	3,000,000	—	3,000,000
By-law 1223	4,200,000	1,492,829	5,692,829
By-law 2179/79	1,666,667	—	1,666,667
By-law 750/74	500,000	—	500,000
	$62,666,667	$15,237,933	$77,904,600

6. SERIAL DEBENTURE (BY-LAW 2179/79)

The reserve for retirement of funded debt includes sinking fund reserve totalling $5,372,374 which is provided for the retirement of a serial debenture of $25,000,000 issued under By-Law 2179/79. This debenture does not require sinking fund payments to be made for retirement.

Amounts applied to debt redemption on the Statement of Reserve for Retirement of Funded Debt include $1,666,667 representing redemption of serial debentures issued under By-law 2179/79.

7. INTEREST REQUIREMENT ON FULLY ACCUMULATED RESERVE

By-law 1308

Debentures of $3,000,000 issued by the City of Winnipeg maturing in 1988 had sinking fund requirements which provided for full funding of reserves as of May 1, 1983, the call date. The City of Winnipeg did not exercise its option to call the issue.

The Sinking Fund holds investments equivalent to the amount reserved and the interest earned by the Fund after May 1, 1983 on these investments is paid to the City of Winnipeg.

Winnipeg Enterprises Corporation
Sinking Fund - Balance Sheet

As At December 31, 1987

Assets

	1987	1986
INVESTMENT — at cost		
8½% debenture of The Winnipeg Enterprises Corporation due June 15, 1992 (Par value $1,400,000)	$1,400,000	$1,250,000
OTHER ASSETS		
Accrued interest	5,217	4,658
Cash	767	635
Call loans — City of Winnipeg	68,000	55,500
TOTAL	$1,473,984	$1,310,793

Liabilities and Reserve

ACCOUNTS PAYABLE	$ 300	$ 300
RESERVE FOR RETIREMENT OF FUNDED DEBT		
Reserve account as required by By-law	1,018,155	927,433
Surplus account	455,529	383,060
TOTAL	$1,473,984	$1,310,793

Statement of Surplus Account

For the Year Ended December 31, 1987

BALANCE AT BEGINNING OF THE YEAR	$ 383,059	$ 319,226
ADD		
Net income for the year	72,470	63,833
BALANCE AT END OF THE YEAR	$ 455,529	$ 383,059

Statement of Reserve Account

For the Year Ended December 31, 1987

BALANCE AT BEGINNING OF THE YEAR	$ 927,433	$ 840,618
ADD		
Instalments received	47,814	47,814
Interest credited	42,908	39,001
BALANCE AT END OF THE YEAR	$1,018,155	$ 927,433

Statement of Income

For The Year Ended December 31, 1987

INTEREST INCOME	$ 115,712	$ 103,179
INTEREST REQUIREMENTS — debenture debt reserve	42,908	39,001
	72,804	64,178
ADMINISTRATION FEES	336	345
NET INCOME FOR THE YEAR TO SURPLUS ACCOUNT	$ 72,468	$ 63,833

Auditors' Report

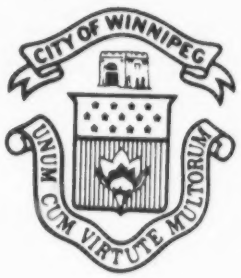
To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Winnipeg Enterprises Corporation Sinking Fund as at December 31, 1987 and the statements of income, surplus account and reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
March 23, 1988

Deloitte, Haskins & Sells,
Chartered Accountants.



symbology

The motto of the crest "UNUM CUM VIRTUTE MULTORUM" is the Latin translation for "One with the strength of many". Two thoughts lie behind this motto. Firstly, Winnipeg is perhaps uniquely one city formed of people of all races; and secondly, it is one city formed from many cities.

The significance of the emblazonry upon the crest may be described as follows:

The Fort Garry Gate at the top represents Winnipeg's early history as a Hudson Bay fur trading centre.

Beneath the gate, thirteen gold stars on a blue field symbolize the thirteen former municipal governments which have been unified to create the new city. The blue background depicts Winnipeg's clear blue skies.

Below the sky, a prairie crocus upon a plain green field represents Winnipeg's location as a prairie city.